

JPRS 81377

27 July 1982

Near East/North Africa Report

No. 2589

FBIS FOREIGN BROADCAST INFORMATION SERVICE

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NEAR EAST/NORTH AFRICA REPORT

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ASRY EXPECTS PROFITABLE YEAR

Kuwait ARAB OIL in English No 6, Jun 82 p 39

[Text]

The Bahrain-based Arab Shipbuilding and Repair Yard (ASRY) is expected to "hold its own pretty well" in the tanker repair business during 1982, despite the strong worldwide competition from other yards, according to Richard Rice, the group's marketing director.

ASRY, which is owned by seven OAPEC states, Kuwait, Bahrain, Iraq, Libya, Qatar, Saudi Arabia and the UAE, has one of the most modern yards in the world and is ideally situated for repairing the many supertankers which ply the Arabian Gulf route," Rice said.

"We have very good facilities, an excellent reputation among shipowners and a first rate network of agents working for us," he added.

The Arab owned shipyard, which was opened in 1977, has one of the highest occupancy rates for its drydock of any yard in the world, and this augured well for the future, he said.

The company's turnover is rising annually — last year it reached 23.5 million dollars — and despite the unfavourable climate in the shipping business because of surplus tonnage, prospects for ASRY look good, Rice pointed out.

ASRY has specialised in the repair and servicing of very large crude carriers and its drydock can take vessels up to 500,000 DWT.

Ownership

Between 15 and 20 per cent of the ships entering the yard are Arab owned. Altogether the yard had repaired more than 250 VLCCs and 225 smaller vessels, Rice said.

Recently a new tonnage record was achieved when five VLCCs totalling more than 1.5 million DWT were simultaneously in the year, filling it to capacity.

The first quarter of 1982 also represented a good start for ASRY, with 25 vessels already repaired and work beginning on the yard's biggest ever contract, worth 2.5 million dollars, Rice pointed out.

An important indicator of the success of a shipyard was the occupancy rate of its drydock, he commented.

ASRY's facility, the biggest in the Gulf region, had achieved 90 per cent occupancy last year and 95 per cent in the first quarter of 1982.

Some competitors' yards had managed as little as 50 per cent, the ASRY Marketing Director said.

ASRY's main competitors in the past east are mainly Singapore and Japan, although a strong challenge is expected in the future from South Korea, Rice added.

Competition

In the Mediterranean area, Greek, Maltese, French and Italian yards provided the main competition, along with the Lisnave Yard of Lisbon.

To meet these challenges and to increase the attraction of its facilities, ASRY would probably have to consider the construction of a further drydock, Rice said.

He went on to highlight the growing trend among shipowners to widen the intervals between services in the face of losses incurred as a result of a massive worldwide surplus tanker tonnage.

This interval had grown from just over one and half year to two years, while at the same time the average age of the world tanker fleet had increased.

These factors meant that ships were less often in yards for scheduled repairs but, when they were, they spent more time undergoing servicing.

This had not only made the climate much more competitive for the yards, but had also raised the average cost of typical servicing visit, he said.

Rice stressed the importance, in this context, of the role of ASRY's 17 agents operating worldwide to market the yard's services. This network of agents is controlled by the London office.

Position

ASRY's favourable geographical position for a repair yard is amply illustrated by a study the company carried out of tanker movement worldwide. It discovered that during 1981, 90 per cent of the VLCC's operating worldwide made at least one trip into the Gulf.

The diversity of the yard's customers is also a useful indicator of its growing success.

In 1980 these ranged from vessels belonging to international oil companies such as Exxon and Mobil to tankers owned by the state oil concerns of Kuwait and Brazil.

Rice said that ASRY "enjoyed specially good cooperation with the Kuwait Oil Tanker Company (KOTC) which used its repair facilities extensively.

Four KOTC supertankers with a combined tonnage of more than 1.2 million DWT made use of the yard in 1980. Last year two Kuwaiti-owned tankers were repaired there, while there were already a number of enquiries for Kuwaiti vessels for servicing in 1982, Rice said.

He also pointed out that ASRY had not been unduly affected by the war between Iran and Iraq. Although when the hostilities first broke out, shipowners were uneasy about the safety of their vessels in the Gulf they quickly got used to the situation and discounted the risk, he added.

BRIEFS

SOLIDARITY BANK'S STRONG STANCE--The two-year-old Arab solidarity bank emerged from the shadows recently announcing a rise in capital and planning to take a stronger stance among the new Arab banks emerging in the Gulf, reported the Bahrain based English daily Gulf Mirror. The daily said that the bank will set up a 50 million dollar exempt company to boost the low-key business its offshore unit has been doing since opening in early 1980. With an authorised capital of only 20 million dollars, and 15 million paid up, the bank's hands have been tied in chasing new and bigger business. The Cayman Islands registered bank is owned by a group of Saudi businessmen and is run on contract by the State Bank of India. It has been conducting letters of credit and other business on an intimate scale with a handful of corporate customers. The offshore unit is the bank's only outlet, with two managerial staff based in Bahrain and four marketing officers working in Saudi Arabia. The remaining five million dollars capital will be called up in this month and the new exempt company will incorporate existing capital and add 30 million dollars to the pot from private subscription by shareholders and a few new participants. This will give it a wider base on which to build its corporate custom. The bank aims to go public but this will not be possible until at least next year since no more Bahrain EC's will be granted in 1982 to public shareholding banks and investing companies. Vice Chairman Sheikh Amin Jamil Dahlawi said after a recent board meeting that there are also plans to open an office in London. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 40]

BIGGEST ASRY CONTRACT EVER--The Arab Shippingbuilding and Repair yard Company (ASRY) received its biggest contract so far to undertake conversion on five Norwegian tankers. The 360,000 dwt tankers will undergo conversion of main machinery and propeller fitting to improve their fuel consumption efficiencies. Work on the tankers also include hull treatment, painting and regular repairs according to a report in the OAPEC news bulletin. The report added that expected time of completion is about 12 days for each ship. The work will be carried out continuously in three shifts, some in the dock and some alongside. The vessels to undergo conversion are: Vanja, Velma, Wind Eagle, Wind Enterprise and Wind Escort. Three of the tankers are managed by Lars Krogh and Company of Oslo and the other two are owned by Ditlev-Simonsen Halfdan and Company. Repair and docking operations during the first quarter of 1982 were carried out on 25 vessels, fourteen of these were VLCCs and ULCCs. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 40]

VARIOUS EXPERTS DISCUSS EUROPEAN INVESTORS' COMPLAINTS, DESIRES

Cairo AL-AHRAM AL-IQTISADI in Arabic No 701, 21 Jun 82 pp 23-25

[Article by 'Imad Ghunaym: "What Do European Investors Want from the Egyptian Market?"]

[Text] Businessmen in the European Common Market countries have agreed in principle to help finance 67 of the projects in the government's new 5-year plan. These projects account for close to 5 percent of the ones presented for discussion at the Egyptian-European investment symposium held in Alexandria between 6 and 9 June. This symposium is one in a series of meetings the economic department has organized to promote productive projects included in the national plan among foreign investors. Although what emerged from that symposium was no more than an understanding in principle to take part in some projects that were presented for discussion, observers of the investment market consider that the symposium was a success. The criterion of success lies in the fact that symposium was an opportunity for government representatives to explain the investment climate in Egypt, and, conversely, it was an opportunity for European market businessmen to broach the inconveniences they experienced in their activity inside Egypt in the realm of investment, especially since the European market countries have a high position in terms of their contributions to liberalization projects and, at the same time, consider that Egypt is an excellent region for attracting European investments in light of its geographical location and other economic factors, in the words of the market's representative at the conference. These facts were not altered by the unacceptable failure of the ministers of the economic group to attend this symposium and, on the other hand, some sharp criticisms which one or two guests made on the climate of investment here.

Participating in the symposium, for the Europeans, were 307 businessmen representing 207 European Common Market country companies, including 93 from France representing 79 companies, 63 from Belgium representing 60 companies, 60 from Italy representing 51 companies, 42 from West Germany representing 33 companies, 30 from Britain representing 27 companies, 10 Greeks representing 10 companies and nine people from Denmark representing eight companies. It should be noted that a large number of the foreign guests attending the symposium were people who had long-standing ties with investment in Egypt and that a small number were attending for the first time. On the local side, 150 Egyptian investors representing 100 investment companies took part, in addition to the board chairmen of public sector companies presenting projects to the symposium and a number of officials in government authorities and governorates who had come to promote projects in their governorates. Participating in the symposium for the government were the deputy prime minister for economic and financial affairs, the ministers of housing, industry and agriculture, the vice chairman of the Investment Authority, and other officials.

Absent from this symposium were the deputy minister for production and minister of petroleum and the ministers of planning, finance and economy. Their absence stirred up intense criticism on the part of European investors, since the symposium's program had guaranteed that the ministers of the economic group would describe the laws governing investment in Egypt and economic priorities for the coming stage — questions which were the focus of the Europeans' interest during the symposium discussions.

25 Percent of Investments Will Be Private

At the inauguration of the symposium Muhammad 'Abd-al-Fattah Ibrahim, deputy prime minister for financial and economic affairs, asserted that the economic liberalization policy was stable and that the government was insistent on continuing it in this direction, since the government had determined that 25 percent of total national investments in the 1982-83 budget would be for the private sector and would guarantee them a high rate of profit. He said, "This symposium is an appropriate opportunity for us to hear investors' demands. The government is wholly ready to respond to all of these demands it can." He said that this was an appropriate opportunity for each part to reveal what it wanted from the other, and he declared that the government was trying, through a new policy, to attract foreign investments in a direction that was devoid of bureaucracy and government statutes. This trend began with the projects presented to this symposium. In the concluding session, the deputy prime minister made an announcement of new measures which truly were considered extremely positive signs of new approaches to investment. However, the fact that they were announced at the end of the conference beat them from receiving adequate attention from investors who had finished studying the projects and were preparing to go back to their countries.

Egypt, a Center of Attraction for Investments

Diti Fischer, chairman of the general committee of the European Common Market, asserted that European investors fully understood that Egypt was considered an excellent area for investment, in view of the political stability and security it enjoys, in addition to the numerous economic advantages that makes it a center of attraction for European investments. He declared that the Common Market had signed a joint 4-year agreement with Egypt for 248 million pounds and would study means for distributing the investments in this agreement in a manner serving the priorities of the local plan with Egyptian authorities. He said that the demand which European businessmen raised at this meeting was that they could make certain of the stability of the economic rules which govern investment in Egypt, which is the government's role. He also stressed the Europeans' commitment to projects that had priority in the economic plan, as long as they realized tangible economic benefits. The European market representative stated that it was necessary that the investment rules include the imposition of a sort of protection for the products of investment projects they participate in so that these could be protected from competition from foreign goods.

The symposium discussions took place in the framework of discussion groups where responsible European investors in the companies that had offered the projects submitted for financing and participation and officials from the ministries concerned were represented. The ministers of industry, agriculture, and housing attended some of these discussions to explain investment policies related to their ministries.

Industrial Objectives

Eng Fu'ad Aou Zaghlal, minister of industry, told the symposium that there was a group of objectives in industrial policy, foremost among them a shift in the structure of

production from agriculture to agricultural processing and a concern with projects for self sufficiency in food, housing, and increased production in ready-made clothing, shoes, leather products, health equipment, glass, iron, electrical equipment and transport sector accessory production. He pointed out that special attention was given to the development of industries founded on the exploitation of the raw materials available in Egypt, the search for sources of natural, mineral and mining resources and the encouragement of nontraditional industrial exports.

The minister of industry reviewed some figures showing the volume of industrial production, which, this year, came to 7,034,000,000 pounds, or 25.4 percent of the total output of the various industrial sectors, which is estimated at about 27,408,000,000 pounds, and that industrial exports came to 500 million pounds, or 7.1 percent of total output. Dr Yusuf Wali, the minister of agriculture, talked about possibilities for investment in agricultural areas, referring to the great possibilities for investment in fruit and vegetable production and marketing and expansions in the packaging industries to serve the export sector, as well as the agriculture sector's need for the manufacture of agricultural equipment and spare parts and expanded agricultural processing.

In the area of animal resource development, he said that 10,000 farms were needed to provide chicks, fodder, and vital exports, along with automated slaughterhouses. He pointed to opportunities for expansion in fish resource development in the Mediterranean Sea and the Red Sea.

He said that the proportion of agricultural exports ranged from 55 to 75 percent of total Egyptian non-petroleum exports. The projects which were the most well-received for study by European investors were industrial projects and projects for self-sufficiency in food, while the study of land reclamation projects received an extremely limited reception.

The Problem of Laws

The symposium discussions were pervaded by numerous requests on the guests' part for information on the investment climate in Egypt and the laws governing that. Complaints were repeatedly made to the effect that the economic laws were unclear and contradictory and that there were numerous regulatory decrees which affected the companies' activity. The Western businessmen also raised questions on hard currency laws and the freedom of entry and departure of capital and returns on capital. Many people who had experience with investment in Egypt complained of the complications arising from the large number of certificates required to release production equipment from customs. Numerous questions were raised on tax laws. Officials gave exhaustive descriptions of the Investment Law and the Law on New Complexes which gives tax exemptions for a period of 10 years. Some Western investors expressed special interest in this law.

In the course of the discussions, many Western and Egyptian investors taking part in the conference stated that it was necessary to subject the commodities produced by the investment companies to protection against alternative imported goods, so that these projects could develop, and a number of investors raised the issue of high customs duties on foreign components that entered into the manufacture of local goods, raising costs above those of fully-manufactured alternatives. They demanded that a review be made of customs tariffs to encourage these industries.

Manufacturing -- a Risk

On the points the minister of industry had raised concerning the government's tendency to encourage finished manufactures rather than assembling, the representatives of the international companies said that one could not take a risk on finished manufacturing all at once in the case of tractors, automobiles, and capital goods, because local market requirements were not in keeping with the high costs of these industries. Also, it was necessary to study the export potential of these goods before getting into finished manufacturing operations in Egypt.

A Criticism!

One of the guests exploited a humorous statement by the minister of industry, who apologized for the absence of the ministers of the economic group on grounds that they were preoccupied with preparing the budget, which was faced with a deficit of 1.3 billion pounds, by asking for the floor and saying "We are not here to talk about offering economic aid - rather, we were invited to talk about investment opportunities." These remarks provoked the disapproval of many participants, including some European investors.

On this subject, a British investor also arose and attacked the investment climate in Egypt, stating that he had visited Cairo a number of times the past 20 months to seek investment projects but had come up against many obstacles in the form of red tape, and it was his impression that the climate was not suitable for investment. He pointed out that every investor could influence 10 others in his own country and therefore it was necessary to direct more attention to foreign investors, in order that they could encourage their colleagues to enter into the investment experience in Egypt.

The Minister of Agriculture proceeded to reply, stating "Criticism is always easy, but we are here to build, not to destroy." On the problems of red tape, he said that the Ministry of Agriculture had established a special investment department to study new projects and discuss them speedily. He said that all the ministries were in the process of doing the same thing.

For the part of the Egyptian private sector, many Egyptian businessmen disapproved of the high costs of the projects presented at the symposium, which were not in keeping with the resources of Egyptian investors. However, Investment Authority officials did stress that local private sector participation, on which agreement had been reached in principle, was to be considered major and that many projects were being "fragmented" to remain compatible with the resources of private companies.

A major observation on the activities of this symposium bore on the fact that the Egyptian investors had seized the opportunity of the Western businessmen's attendance to present a number of investment projects outside of those which had been submitted and that a large number of these projects had been agreed upon.

New Measures

In the concluding statement of the symposium, Muhammad 'Abd-al-Fattah Ibrahim announced a number of new measures to help eliminate investment obstacles. These measures are truly to be considered positive signs of the investment climate in Egypt in the stage to come. The first of these measures will exempt project owners from presenting com-

plete feasibility studies on projects when these are submitted to the Investment Authority; just a preliminary study will be considered sufficient when the draft is presented. The second easing of terms will come in customs; the deputy prime minister declared that it had been decided that purchase contracts on imported equipment would be used for the customs appraisal of such equipment, that they would be presented to the Customs Department directly, and that there would be no need to obtain agreements from the Investment Authority or any other body to bring this equipment in. He said that the remaining problems investors had with customs would be presented to committees so that they could be reduced, because the government was anxious to ease conditions for investors. He said, "All the projects presented at this symposium are listed in the government's new 5-year plan and therefore there will be no problems when they are presented to the Investment Authority." He said "Even in the case of other projects which investors can present, a review will be made on including them in the plan. In general, there are no restrictions on investment projects in the coming stage, except for one which we have no hand in, and this is energy. Projects will be reviewed in accordance with their consumption of energy. especially electric power, because in the next 2 years the government will be suffering from a shortage of electric power owing to special circumstances, after which this condition will end."

On land reclamation projects, the deputy prime minister stated that the government's laws prohibited the sale of agricultural and reclaimed land but that it did permit the land to be worked on concession for a period of 50 years which could be renewed and that special attention was being granted to land reclamation projects, which were projects that received numerous benefits from the government for the people investing in them.

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AMENDMENTS TO LAW ON LEGAL PROFESSION FACES ADVERSE REACTIONS

Intense Lawyers' Union Debate

Cairo AL-SIYASI in Arabic No 354, 20 Jun 82 p 6

/Article by Muhammad al-Sharbini/

/Text/ For a period of 8 whole hours, a heated discussion took place in the Lawyers' Union council on the draft of the new Law on the Legal Profession.

In spite of the appearance of many blocs and currents within the union council, the council did manage to add 12 new amendments to the draft of the law after thorough study of all the viewpoints presented.

In another area, the Lawyers' Union council informed the Ministry of Justice of the resolutions which the broad base of lawyers had given agreement to.

The Lawyers' Union council gave agreement to an increase in the maximum lawyers' pension to 200 pounds a month and also concluded that it was not permissible to allow former ministers and counsellors to practice law except before courts of cassation and appeals or their equivalent.

Among the important resolutions which the Lawyers' Union council sent on to the Ministry of Justice was the refusal to separate the cassation roster from the appeals roster and the ruling that the right to give agreement to the registration of people who are considered to have resigned university professorships should be restricted to the court of cassation roster.

The council also determined at its latest meeting that it was necessary to draw up the union council in a fashion where branch union councils would be represented on it and that an effort should be made to increase the representation of public sector lawyers keep the branch unions within the jurisdictions of each court of first instance, and retain the composition of the union's general assembly in its current condition, which encompasses all lawyers before the courts of first instance.

It was also decided to add a new stipulation making it mandatory that the charter of all joint stock companies include the appointment of a company legal advisor

and that it not be permissible to register the company in the commercial registry and abrogating the recommendation which represented a restriction on the lawyer's right to file a case before another court of appeals to instances where the lawyer is enrolled in that court and the stipulation that the definition of corresponding activities in the legal profession be made by agreement of the union council.

The Lawyers' Union council reasserted the stipulation contained in the current law, which asserts that the union is master of its own roster, and rejected the introduction of judiciary personnel into acceptance committees and the formation of more than one committee to perform activities.

In another area, at its final meeting, the Lawyers' Union council under the chairmanship of Dr Jamal al-'Utayfi, the temporary Lawyers' Union head, notified the Ministry of Justice of the council's agreement to raise the maximum level of lawyers' pensions to 200 pounds a month and give lawyers permission to form companies.

In another area AL-SIYASI has learned that the People's Assembly will take charge of discussing the draft of the new Law on the Legal Profession, in order that it may be ratified before the end of the current parliamentary session; this will be followed by dissolution of the temporary union council and the election of a new one.

It is worth pointing out that the Lawyers' Union witnessed a heated struggle which went on for close to a year and the temporary union council met with intense opposition from people supporting the elected council.

A number of currents were prominent in the union. Each of those had its own position and opinion on the draft of the new Law on the Legal Profession, which Dr Jamal al-'Utayfi, the temporary head of the Lawyers' Union, had prepared. The first current supported the old council; this insisted on the legitimacy of the council and supported the provisions and sections of the current Law on the Legal Profession. The second current, represented by young lawyers in the National Democratic Party, set forth a second draft and presented it for discussion and debate within the party, while the majority current was represented by the lawyers with the Socialist Labor Party, who also prepared a third draft and intended to present that to the People's Assembly.

In its final meeting, the union council managed to come up with an agreement which was satisfactory to all currents and was embodied in the amendments that were introduced into the draft of the law Dr Jamal al-'Utayfi had prepared.

Union Chief Presents Views

Cairo AL-AHRAR in Arabic No 204, 21 Jun 82 p 1

/Text/ During a discussion of the draft of the new Law on the Legal Profession which Dr Jamal al-'Utayfi, the temporary head of the Lawyers' Union, had prepared, a dispute arose among members of the temporary council of the Lawyers' Union.

At the 10 June session, the temporary council members were surprised by the draft, which contained 240 articles and was presented to them for discussion and ratification at a single session. Muhibb Habib, member of the council, head of the Lawyers' Union in al-Mansurah and chairman of the Liberal Party in al-Daqahliyah, protested against the addition of two articles to the draft of the law /one being/ Article 137, which requires that union council elections be held in the governorates so that a single member may be elected from each governorate, three members from the Governorates of Alexandria and Giza, and 10 members from Cairo, including four public sector lawyers. Muhibb Habib said that this system would result in fragmentation of the union.

In accordance with the current law, elections have been held throughout the republic. He demanded that the number of board members be increased to 41, if it is insisted that elections to the council take the form the draft has specified, so that the proportion of representation of lawyers in Cairo would be high. Muhibb Habib also protested against Article 142, which was added to the draft and requires that the union chief be selected from among union council members, and he insisted that the election of the union chief continue to take place through the general assembly of the Lawyers' Union. Muhibb Habib insisted adamantly on the need for Article 53 of the draft law to include the fact that general cases against lawyers should be permitted only through the medium of the head of the office of the public prosecutor, at the lowest. Muhibb Habib demanded a grace period in which the law could be studied, but he was taken by surprise when the temporary council insisted that it be completed at the same session so that it could be sent to the People's Assembly.

Muhibb Habib sent his objection by registered letter to Dr Jamal al-'Utayfi, the temporary union chief, and 'Abdallah 'Ali Hasan, the general secretary of the union. He distributed a copy of his memorandum of objection to the council members at the first session following, last Thursday.

One surprise was the fact that Dr Jamal al-'Utayfi, the temporary secretary, joined in explaining the draft law with Muhibb Habib in his complaint against the method for electing the union council and the head of the Lawyers' Union, but the draft actually was sent to the People's Assembly following its approval by the temporary union council, without comment on the two articles that Jamal al-'Utayfi and Muhibb Habib had objected to.

Temporary Union Election Council

Cairo AL-AHRAM in Arabic 30 Jun 82 p 6

/Text/ The People's Assembly gave its agreement yesterday to the proposed draft law amending some provisions of the Law on the Lawyers' Union. The law calls for the formation of a temporary Lawyers' Union council to supervise the coming union elections. The temporary council will be made up of 11 members whom the Minister of Justice will select from 11 members whom the minister will choose on the basis of their competence and service to the profession.

Upon the review of this proposed draft law, which was presented by 'Abd-al-Ghaffar Abu Talib, Mumtaz Nassar objected to the draft and said that he had presented a

more general, comprehensive draft and it was obligatory that the two be reviewed together in accordance with the bill. He demanded that the draft be sent back to the Legislative Affairs Committee so that the discussion of it could resume along with that of the other drafts.

Hafiz Badawi (chairman of the Legislative Committee) said "Only the draft presented was given to the Legislative Committee, and it was not reasonable that the committee should wait and we should obstruct the lawyers' interests until another bill was issued."

George Rufa'il said, "It was obligatory that this law forming a temporary committee whose task is to administer the elections be issued, although it does not have the right to bring these elections forward."

Eng Ibrahim Shukri said, "Our brother 'Abd-al-Sami' Mabruk presented another draft, and appeared more than once before the Committee on Recommendations, but he was behind schedule, because the government was preparing a different draft. This is unsound conduct on the part of the Committee on Recommendations and Complaints."

Mukhtar Hani stated, "Two colleague assembly members who presented drafts did not attend the meeting of the Committee on Recommendations and Complaints which was discussing the laws, and this is noted down in the committee meeting minutes."

"It is not our custom to say that a law is unconstitutional, because when the law is issued we must honor it."

Dr Sufi Abu Talib said, "Out of the concern that every member be able to express his opinion in full, we see no harm in having Counsellor Mumtaz Nassar present his draft to the assembly now. Ultimately judgment will rest with the assembly."

Mumtaz Nassar said, "The draft law I presented is based on the abrogation of the previous law and the effects that have arisen from that, and the dissolved council should proceed to engage in its activities again as it did in the past."

'Adli 'Abd-al-Shahid said, "This proposal conflicts with parliamentary traditions, for how can it be reasonable for me to bring back a council which had engaged in unpatriotic behavior?"

The assembly did not agree to the draft presented by Mumtaz Nassar but it did agree to the draft presented by 'Abd-al-Ghaffar Abu Talib. The assembly agreed to two other drafts:

The first concerned the amendment to some provisions in the Civil Defense Law, where the task of defending industries, public utilities, important facilities and highrise buildings against all dangers would be added to the missions of civil defense and violators would be punished by imprisonment for a period of no more than 2 years and a fine of no more than 10,000 pounds.

The second concerned the ratification of some provisions of the law on the al-Jala' Armed Forces Fund Organization, where loans to members of the armed forces

would be made, using their salaries during service, their retirement pay, or other entitlements they received as collateral. The value of the loan could not exceed six times base monthly salary per person, the period of repayment of the loan could not exceed 36 months, and 2 percent of the value of the loan would be deducted for administrative expenses when paid out to the borrower.

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CSO: 4504/374

IRAQI DEVASTATION OF QASR-E SHIRIN DESCRIBED

Tehran KAYHAN INTERNATIONAL in English 1 Jul 82 p 1

[Text]

BAKHTARAN, June 30 (Kayhan) — At last, after innumerable destructions and crimes in the western region of the Islamic Republic, the defeated troops of Saddam began to leave the Iranian soil in exchange for an eternal disgrace and the curses of millions of Muslim people.

Kayhan's correspondent in Bakhtaran who arrived in the ruined town of Qasr-e-Shirin along with the first group of the soldiers of Islam, wrote in his report:

After two years of bravery and self-sacrifice which dazzled the world and having passed through such areas as Kur-e Mush, Ghoraviz, Gard-e Noe, Bazi Deraz and Dasht-e Zahab which seemed apparently impenetrable, the powerful soldiers of the Islamic Republic of Iran entered the town of Qasr-e Shinn.

Qasr-e Shirin with a population of tens of thousands had always been the host of the pilgrims to Karbala. But no sign of the people's homes and the town's hotels can be seen now. The mercenaries of Saddam have destroyed whatever bore a sign of human beings and humanity in this town."

The things which have remained now in the town of Qasr-e Shirin are less than the fingers of a hand: a mosque called Al-Mehdi, a hospital, a school, part of the governor's office and a repair shop.

All the houses of this town have been ruined and they have even burned the orchards around the town.

According to the report dispatched by Kayhan's correspondent, the damage and casualties inflicted upon Qasr-e Shirin are heavy and the Ba'athist aggressors have not left one place undamaged and have plundered whatever they could.

In continuation, the report said:

The powerful warriors of the Islamic Republic of Iran arrived in the border town of Qasr-e Shinn at 6 p.m. on Monday and began to purge the region. They took complete control of the Sar-e Pol-e Zahab-Qasr-e Shirin road. The remaining Iraqi forces in the frontier localities are retreating towards the Iraqi soil leaving behind many war supplies and much equipment.

In his second report from the ruined town of Qasr-e Shirin, the Kayhan correspondent wrote: The Iraqi invaders have razed all the villages near the Gilan-e Gharb-Qasr-e Shirin road to the ground and set fire to all farms in the region.

The bridge crossing the Alvand River at the entrance of Qasr-e Shirin has been demolished by the enemy in order to slow the advance of the soldiers of Islam.

Inside the town, no sign of life can be seen. All streets and narrow alleys have been ruined. The old bazaar once famous for its chinaware-sellers has been completely leveled and the gas station of the town has been set ablaze.

Shameful Evacuation of Qasr-e Shirin

Colonel Badi, the operational commander of the west, in a short conversation with the Kayhan correspondent inside the town, said, "According to initial estimates the Iraqi regime has destroyed 98 percent of Qasr-e Shirin and all signs of life have been wiped out by the Ba'athist mercenaries."

Col. Badi added, "The Ba'athist army knew that Qasr-e Shirin would soon be recaptured like Khorramshahr by the powerful soldiers of Islam. It was for fear of the Muslim warriors' coming attack that they pillaged the town in the disgraceful manner you see."

The Kayhan correspondent also noted: "The reconstruction of the public service facilities for the town has been started and a group of workers from Construction Jihad are busy cleaning and reconstructing the town in order to make it ready for its inhabitants' return."

CSO: 4600/650

STORIES OF NON-IRAQI WAR PRISONERS RELATED

Tehran KAYHAN INTERNATIONAL in English 23 Jun 82 p 4

[Text]

Tehran June 22 (Kayhan International) — The following is a reprint of an article concerning the situation of non-Iraqi PoWs being held in the Islamic Republic of Iran. It is coming to us by courtesy of Kayhan-ul-Arabi.

The prisoners of war were generally from different Arab countries. Drawing the attention of one of them, who was engaged in watching a volleyball match, I questioned him on the nationalities of the PoWs. He replied that they were of different nationalities. "Among them are Tunisian, Somalian, Sudanese Nigerian, Lebanese and...prisoners," he explained.

This was the most important question, the answer to which was sought by me for quite some time. I asked them the reason for their participation in the war. Every one of them recounted the circumstances of his coming to the warfront in his own way.

The stories of all of them differed from one another only as far as the details were concerned, but they were identical in two important details. One being the fact that all of them lived in Iraq and had not arrived there from their native lands for taking part in the war. The other factor being that they were made to wage a war against the Islamic Republic through the use of force and the threat of imprisonment.

All of them cursed the hour when they, in order to earn their bread, went to Iraq. They didn't know the price to be paid, for this bread and butter would be death on the warfront of falsehood against that of truth.

Another prisoner from Lebanon with the name of Mohammad Barakat says: "I used to work in Baghdad's Kani hotel. One day the security officials came to the hotel and told us that every Arab should participate in the war. When we raised an objection they threatened us with imprisonment."

Yet another prisoner by the name of Abdullah Imam from Nigeria, who was a student in the literature faculty of Baghdad University says: "I approached the immigration department for the renewal of my residence permit. They confiscated my passport there and jailed me for a period of two weeks. After that they drafted me and forcibly dispatched me to the warfront."

Ismael Kamil Kasravana, a Lebanese PoW, who worked for the Publication and Publicity Organization, says: "After arresting me a number of times, they took me to the garrison. There I found everyone displeased for the reason that they too, like me were drafted in the Army through intimidation. I tried to desert, but was arrested and subjected to the worst type of torture."



All the prisoners reiterated that they have been given only 12 days of military training. Ismael Kamil, the Lebanese prisoner says: "During the training period, they did not issue us even a single cartridge as they were afraid we would mutiny. When they brought us to the last station before the warfront, they gave us one machinegun with only 50 cartridges."

Another non-Iraqi PoW, Mohammad Yasser Mohammad says: "When they were forcibly taking us to the warfront, they said that we won't have to fight. We asked them then why they were dispatching us to the warfronts. They replied that our presence there would boost the morale of the Iraqi troops."

Salah Ali says: "From their conversations it was understood that

they had dispatched us there in order to boost the morale of Iraqi troops as well as to take advantage of our presence at the warfronts from the propaganda point of view. They wanted to give the war a tint of a war between Iranians and the Arabs."

Another PoW from Nigeria emphatically said that freedom of expression did not exist in Iraq and in universities in particular. "Iraqi students are afraid of talking about the war and politics for the reason that if they did so, they would suffer grave consequences. Salah Ali Daoud confirming this says: "Despite the stifling atmosphere the people's displeasure with the war is increasing day by day. On one hand the number of those killed in the war is on the upswing and on the other a growing economic crisis can be clearly seen to the extent that the basic commodities are difficult to find."

When I questioned them on the subject of devotion to God and whether in Iraq people said their prayers regularly, all of them burst into laughter. One of them said: "How can one say his prayers in Iraq? There, it's crime. And the fate of anyone committing a crime is known to all. Nevertheless, alcoholic drinks and narcotics are permissible. I have seen the empty alcohol bottles, with my own eyes in the tanks, used by the Iraqis in their flight from the battlefields."

All the PoWs seemed to be pleased at the encounter of the Islamic forces with them. They stated that the Iraqis told them that if they were taken prisoner by the Iranians, especially by the Islamic revolutionary guards, they would definitely be killed.

When we were engaged in discussing the subject, one of the prisoners, while he had a Kayhan-ul-Arabi newspaper in his hand, confirming this said that they did think that they would be immediately executed after being taken prisoner as the Iraqis claimed that the Islamic Revolutionary Guards were savage and cruel men. But, what we saw here, was quite to the contrary of the Iraqis' claim.

Another prisoner taking up his colleague's conversation said that in accordance with international laws they were mercenaries and hence were expecting the death punishment, but fortunately their Iranian brothers comprehending the plight these unlucky persons were in, became aware of the circumstances under which they had to come to warfronts. (Here, I reminded him of Khattab Omar, the Iraqi officer prisoner, who had issued immediate orders for the execution of the captured Revolutionary Guards and then he himself was taken prisoner by the forces of Islam and despite his cruel behavior, the brothers in the Islamic Revolutionary Guards Corps accorded him the best treatment.

Malik Abdul Karim Mustafa, another non-Iraqi PoW speaking on the subject said: "They inquired about my nationality at the time of my capture. I told them. Then they asked me as to why I had been fighting with them. "Was it not better if you fought at the real warfronts that is, with Israel, instead of fighting with the Islamic Iran, which supports the Palestinians?" they asked me. These words pained me. However, I clarified my position to them. Now, we are accorded the best treatment by our Iranian brothers.



Walking around in the camp, I noticed the non-Iraqi PoWs swiftly moving towards the halls. Then I realized that it was their lunch time.

All the prisoners, except one, went to the dining halls. Inquisitively, I inquired the reason for his abstaining from going for lunch from the one remaining behind. He replied that he was fasting. "I resolved to fast for three days as a gesture of my gratitude to the Almighty, for he saved me from the predicament of war I was in," he said.

After lunch, all of them got busy with a game of volleyball. While watching their game, I reflected over the groundless claims of the Iraqi regime in regard to the execution of PoWs by the Iranian forces and how these chimerical claims were broadcast by the imperialistic mass media with such a great hue and cry. What a great difference lies between these empty claims and the realities that I was seeing with my own eyes.

While I was engrossed in these thoughts, one of the PoWs came to me and said: "Brother, I want to send a message to Imam Khomeini and the Iranian people." And then he said: "I am one of the Sudanese Muslims and have settled down in Iraq since 1977. The Iraqi regime sent me to the warfront through intimidation and force, but I entered into a covenant with myself and my God that I would not fire a single shot towards my Muslim Iranian brothers, who are inviting and recalling everyone towards the truth and giving their support to the oppressed and the deprived.

"I beseech the great Lord to shower His mercy on the martyrs of the Islamic Revolution and accommodate them in the Promised Paradise!"

After my interview with the non-Iraqi PoWs, I bade them goodbye with the hope that international mass media coming to their senses a bit will project these facts for the world — facts that have been hidden for a period of 21 months.

PUBLIC MOBILIZATION TO SET UP TRAINING CAMPS

Tehran KAYHAN INTERNATIONAL in English 1 Jul 82 p 2

[Text]

TEHRAN, June 26 (IRNA) — The Public Mobilization (Baseej) of the IRGC will establish 46 different training camps in the summer time with independent programs in order to raise the level of political, ideological and military knowledge of the popular forces of the "20 million member army", the Head of Public Mobilization of the IRGC, Hojjatoleslam Salek said Thursday.

Referring to the Baseej activities and duties in training and organizing popular forces in ideological and military dimensions he praised the struggles of the devoted Baseej forces in the warfronts and against the domes-

tic counterrevolutionaries.

Stressing the necessity of further utilizing the potential of women in promoting the revolution's goals, he talked about the future programs of the Baseej as well as its past activities in that respect. Women, having played a significant role in the culmination of the Islamic Revolution and in neutralizing the counterrevolutionary plots in the post revolution period, should attain their true status in the Islamic society, he added.

He concluded by urging the Baseej forces to neutralize the enemy plots by consolidating their unity with the Muslim ulema.

CSO: 4600/650

RED CRESCENT SOCIETY REPORTS ON YEAR'S ACTIVITIES

Tehran KAYHAN INTERNATIONAL in English 1 Jul 82 p 2

[Text]

TEHRAN, June 26 (IRNA) — The major international activities of the Red Crescent Society (RCS) performed during the preceding year, were made public.

The establishment of connections between the Iranian PoWs with their families through sending and receiving letters and the responsibility to host and supervise the PoWs' families visits to their relatives was undertaken by the RCS. The society also undertook to prepare applications enabling people to find relatives who have been reported missing in the course of the Iraqi imposed war.

The ongoing attempt concerning the PoWs and fulfilment of the Geneva Conventions through the International Committee of the Red Cross, was another of RCS's projects during the last year. The society had always announced the stands of the Islamic Republic of Iran in its own correspondence and also in its international meetings in connection with other Red Crescent Societies and the international Red Cross.

The RCS report also indicated that the organization attended the Red Crescent and the Arab Red Cross conferences and also the International Conference of the Red Cross. In meetings with the representatives and officials of the International Red Cross Commit-

tee, the RCS exposed the crimes committed by the Iraqi Ba'athist regime and also its infringement of the terms of the Geneva Conventions and asked the International Red Cross to pursue the case.

In another portion of this report, the RCS noted Iraqi infringement on the human and international regulations of the Geneva Convention as bombardment and destruction of civilian quarters, RCS's hospitals, ambulances and helicopters, capturing the civilian people, hiding a number of PoWs from the International Committee of the Red Cross, taking physicians, medical aids, nurses and the personnel of the Iranian Red Crescent Society as PoWs, and torture and prosecution of the Iranian PoWs in the Iraqi camps, were among those violations mentioned in the report.

Concerning the protection of the Iraqi PoWs in Iran, the Red Crescent Society has given required cooperation and has made available to them their required means like undergarments, sanitary materials, and T.V./video to promote their cultural affairs.

It should be said that the society itself has undertaken the responsibility for the health care of all Iraqi PoWs.

'POST' DISCUSSES BEGIN-SHARON RELATIONSHIP

TA250905 Jerusalem POST in English 25 Jun 82 pp 1-2

[Report by diplomatic correspondent David Landau]

[Text] Prime Minister Menahem Begin is "fully aware" of the widespread belief in political circles that Defence Minister Ari'el Sharon has been leading him along--or leading him astray--during the war in Lebanon. But, says a close aide of the premier, the belief is "groundless. Menahem Begin is not naive. He is not a man to be led, or led astray, by anyone."

Government sources are also hitting back at another allegation, widely voiced in political circles, that Sharon has been feeding the Cabinet tendentious or incomplete information during the war.

"Vicious, arrant nonsense," said one minister yesterday. "The reverse of the truth," said another.

Regarding Begin and his complex relationship with the defence minister, the premier's close aide indicated that Begin is familiar with the longstanding, insistent insinuations in some military and political quarters that Sharon has a propensity for inaccuracy.

The premier, said the aide, knew the story of David Ben-Gurion reportedly having once asked Sharon: "Arik, have you stopped lying?"

Given this background, the premier might allow himself "not a pinch of salt, but a plateful of salt" in some of his dealings with Sharon. Such relations were not unusual between politicians, the aide implied, nor were they necessarily harmful--provided both men kept their feet on the ground.

"The main thing is that Begin shares with Sharon a common basic strategy," the aide stressed. This applied to Israel's political and strategic goals in general, and to the goals of the present war in particular.

Thus, both men shared the immediate purpose--neutralizing the PLO's military threat to the Galilee. And both Begin and Sharon shared a longer term goal: Exploiting the discomfiture of the PLO "to bring about somehow the establishment of the autonomy in Judaea and Samaria."

The premier maintained his own direct channels of communication with the army; he was regularly briefed by top generals, and, of course, by the Mosad.

Regarding the more general criticism that has been voiced of late, that Sharon misleads the Cabinet, a Cabinet source observed last night: "You can't fool all the people all the time. The Cabinet ministers are grown men. Perhaps they would allow themselves to be duped one, twice, three times, but surely not day after day, systematically, as the critics allege."

A Cabinet minister noted that the ministers were receiving much fuller and more regular briefings on the war situation than the first Begin Cabinet did from then-Defence Minister 'Ezer Weizman at the time of "Operation Litani" in 1978.

This minister, and one of his colleagues, said that one source of the rumours surrounding the Cabinet during the war might be a small number of disgruntled ministers within the Cabinet.

Specifically on the vexed issue of how the war, with its originally limited objectives, came to be expanded, the two ministers interviewed yesterday both insisted that the prospect or likelihood of expansion was taken into account right from the start. The Cabinet, they said, had always been aware that the 45-kilometre arc could not be drawn with geometrical precision and that military and tactical moves in the field might well take the IDF far beyond it. The Cabinet was also aware from the outset that there were PLO positions sheltering with the Syrian area of control inside the 45-km arc, and that if the Syrians refused to remove them there might well be fighting with Syria.

CSO: 4400/369

'HA'ARETZ' ON SHARON'S WAR PLAN

TA022042 Tel Aviv HA'ARETZ in Hebrew 2 Jul 82 p 9

[Commentary by Ze'ev Schiff: "Sharon's Big Plan"]

[Text] The controversy over the questions of how the war's objectives were changed and if Sharon led the cabinet astray will engage us for a long time to come. Sharon's opponents will argue that he had deceived and misled the cabinet and thereby had done what he had wanted to from the start. Sharon himself will again show, in black and white, that each step and every move was anchored in the cabinet's decisions. Therefore, in a manner not usual for defense ministers he troubles even to cite the number of each and every cabinet decision regarding his proposals. He knows that many are in the habit of suspecting him even before he takes his first step.

Things are more complex and complicated than they appear. My argument is that Sharon did not deceive. His fellow ministers may have deceived themselves. Sharon carried out his master plan, dragging the cabinet and the chief of staff along. He maneuvered and fixed facts in the field. He pulled the cabinet along after him, but obtained its signature so that his moves were done with its agreement. He was careful to see that every act was covered, but he also made sure that those opposing a given vital move were pushed aside or kept from appearing before the government to explain their positions. It was also important that superfluous data not be leaked from the forum of generals to that of the ministers. There is no doubt that he showed extraordinary skill in this matter. This is the bulldozer in his character, the adherence to the objective and the talent in deed; but this is also the danger in him. One does not have to be one of Sharon's opponents to accept this view. Indeed, many of his supporters agree with this thesis.

Therefore, it is not to be claimed that this is Sharon's personal war. It bears the signature of the entire cabinet, albeit in different stages. Sharon's master plan was not secret. To this end it is incumbent on me to cite from my article of 4 April in HA'ARETZ about the imminent war in the north and its possible scenarios: "Whoever reads Sharon correctly understands that his aim in Lebanon is not another Litani operation or the killing of just several hundred terrorists. It emerges from his statements that his intention is to destroy the military and political infrastructure

of the PLO organizations so that they will have a hard time recovering in that country. Not only that, but he also intended to create a situation in which a new government would be established in Lebanon, one that could be called legitimate and that would sign a peace treaty with Israel. To achieve this aim it is necessary to remove the Syrian Army from Lebanon or from most of its territory, and perhaps also to put Bashir al-Jumayyil and his followers in control of Beirut."

This was not a prediction or guess that was accidentally on target. Since he assumed office I have been following the man and his plans; I have been gathering his statements at nearly all the forums--internal or public--in which he appears; and I have been mapping for myself his plans on the assumption that a man like Sharon will not forego even what appears as crazy in his plans. He carried out tactical withdrawals, adapts himself to reality, but always returns from one direction or another to make an assault. This was also the case with his broad war objectives in Lebanon. He presented his master plan, albeit mostly in separate parts, but it was easy to join these parts together because here and there he also presented them in open party or public forums. At the same time, however, many did not collect the parts and put them together, nor did they pay attention to the large plan--the master plan. Sharon was wont to point out that it was only a question of timing and synchronization among all the elements of the plan, but he was convinced that it would happen and that one only had to gird oneself with patience.

Sharon even took the unusual step of presenting his plan to foreigners. From a certain point onward, he did not regard the plan as a military secret. The Americans cannot claim that they were surprised by his master plan, nor can other foreigners. Sharon unravelled the plan on his last visit to the United States as well as previously. He may have done so so that they could not claim he surprised Washington, or he may have been seeking to make them indirect accomplices by virtue of knowledge. In any case, the secret was not a big one, although many supposed that the government would not approve the broad objectives. Since the master plan became clear I began writing again about the planned war. I believe that we must fight to the bitter end with the PLO, which calls for the destruction of Israel, but we must present a fair political solution to the Palestinians. I opposed Sharon's master plan because it was clear from the beginning that it would require a clash with the Syrian Army and not just with the terrorists and because it would grant us the status of policeman of Lebanon's internal politics and was liable to force upon us a lengthy stay in that country.

Sharon required sophistication in order to push his plan through after the cabinet declared at first the operation's limited and more defensive objectives. In his pursuit of the terrorists as far as Beirut he enjoyed the full support of Chief of Staff Eytan. In a different war--the one with the Syrians--he maneuvered in the field and convinced the Cabinet that there was no alternative but to bend back the arm of the Syrian Army in Lebanon. He was correct in his assessment that the Syrians would do everything to avoid a frontal clash on the Golan Heights too, but on the question if the broad clash with them in Lebanon--which caused us many casualties--could have been prevented, much will yet be said.

What did Sharon prove by pulling off his master plan? His military talents, which were beyond doubt; his extraordinary adherence to his aims; and that he does not pay much heed to what he is up against. However, he also proved that most of the Cabinet ministers were like innocent and unprofessional youths before him. One of the ministers, with a profession in the military sphere, brave and honest, Mordhekhay Tzipori was earlier pushed out of the Ministerial Defense Affairs Committee so that he would not be a bother, just as other military advisers were distanced from the prime minister. The [word indistinct] controversy over entering West Beirut has not yet ended and one must wait for its results, since a number of the ministers have a different and more unified approach.

Sharon has won. Thanks to that the IDF has achieved a military victory, albeit at the cost of a no few casualties, but the political moves have not yet ended. No one knows how long we will have to stay in Lebanon and the political fruits are not yet in our hands. In terms of information, we have failed. Not only abroad but a split has also been created in the nation (because of flawed information) provided to the troops and the short circuit with the media. Sharon's rivals, including those in his party, have learned that they confront a difficult and canny opponent. So he was in the past also in his former posts, as a major general in active service and at lower ranks. They learned this not only from the Yom Kippur war.

A classic example is the way he fought the terrorists in the past in the Gaza Strip. Then Defense Minister Moshe Dayan, his adviser on affairs in the territories, Maj Gen Shlomo Gazit, the then chief of staff, Hayim Bar-lev, and the governor of the Gaza Strip, Brig Gen Yitzhaq Pundaq, all tried to stop him from carrying out his drastic military steps in the Strip. Dayan at the time was at the height of his power, but he could not resist Sharon who outmaneuvered him even in the political corridors (with Golda Me'r and Yisrae'el Galili). The killing of the Arroyo children by a handgrenade in the Gaza Strip at the time served as the omen for the final assault. Sharon eliminated the terrorists in the Strip but it is clear that he did not solve the problem. Dayan had to acknowledge Sharon's success, but in order to remove him from the Strip he had no alternative but to do something contrary to geographical logic: He removed the Gaza Strip, which is situated in southern Israel, from the Southern Command, which Major General Sharon headed at the time, and transferred it to the Central Command, under the command of Major General Ze'evi.

More about Sharon's master plan: It is clear that this plan encompasses not only Lebanon. As we have written in the past, Sharon sees a direct connection between what he did in Lebanon and what is going to happen, so he says, in Judaea, Samaria and the Gaza Strip and with the Arabs in the territories. The master plan also includes Jordan. A seeming slip of the tongue in the Knesset Defense and Foreign Affairs Committee reveals a little of his world conception. It is worth reviewing (HA'ARETZ, 29 June): "There is reason to clash with Jordan--from this a political achievement can emerge." When Yitzhaq Rabin commented to him about this, Sharon qualified his statement by saying this had been his view when he was in the army. However, everyone knows what his thoughts are about Jordan as a Palestinian

state and his thinking that Husayn must actually leave to make way for someone from the Palestinians.

In carrying out the first military part of his master plan, Sharon has shown that the other parts of this plan deserve attention. In terms of his plan's military logic the Jordanian phase is likely the essential one and the Lebanese move, that has been advanced, has perhaps disrupted its chances. At the same time, however, this cannot be overly relied on. Sharon proved in Lebanon that it is possible to surmount what appears as an insurmountable barrier. In this respect, one cannot help but marvel at his ability to overcome obstacles, but the extent of this wonderment is matched by that of the fears of this man and of what he symbolizes.

CSO: 4400/369

MADRID PAPER INTERVIEWS FOREIGN MINISTER SHAMIR

PM251623 Madrid EL PAIS in Spanish 23 Jun 82 p 2

[Interview with Israeli Foreign Minister Yitzhaq Shamir by Carlos Mendo, 22 June, in Jerusalem: "Only With Lebanon Free From Foreign Pressures Will New Era Begin for That People"]

[Text] Question: Mr Minister, what is the situation in Lebanon today?

Answer: We are interested in reaching a political solution which will enable us to withdraw from Lebanon and at the same time assure us that the terrorist organizations will not resume their attacks against Israel. With the aim of reaching this solution, it is necessary to have now a strong and independent Lebanese Government which, in cooperation with a possible multinational force, will establish a zone close to the Lebanese-Israeli border to prevent the return of the terrorist groups.

Question: From what you tell me, it can be deduced that the Israeli operation in Lebanon is pursuing both political and military aims.

Answer: The principle problem is security--our citizens' security. And, of course, that aim cannot be achieved until there is a government in Lebanon which will prevent the terrorist organizations transforming that country into a base for aggression against Israel. Only a Lebanese Government can achieve these aims, and that is where the main part of the problem lies.

Question: The Israeli action has received severe criticisms abroad, principally in some European countries. Could you give us your reaction to those opinions?

Answer: I believe that European public opinion has been misled by exaggerated reports about the number of casualties and the damage caused in Lebanon as a result of our military operations. There has been talk of hundreds of thousands of people homeless, giving figures greatly exceeding the total population of that region. Anybody who visits Lebanon now will be able to see that the casualties and the damage inflicted on the civilian population--which, of course, we regret--are on a very limited scale.

Whereas the European news media are speaking of thousands, the fact is that there are only hundreds. I repeat that we regret this, but in any military operation you cannot avoid inflicting some damage on the civilian population, and I wish to point out that that civilian population was always warned before a military operation was carried out. The truth is that we have had many casualties among our troops because of the efforts made to avoid civilian casualties. As you know, reports have been published in Europe to the effect that there are 600,000 people homeless in Lebanon, when it is well known that the entire population of the area in which military operations occurred is much less than that figure.

At present, almost everybody has a home or shelter with our forces' assistance, and life in southern Lebanon is becoming more normal every day.

In Europe, people forget that the Lebanese tragedy and the population's sufferings began in 1975, when the PLO and other Palestinian terrorist organizations decided to transform Lebanon into a base for aggression against Israel and to provoke a civil war within Lebanon, whose outcome was 70,000 Lebanese killed. Perhaps there is now a possibility that this will end. Perhaps the Lebanese people can now rid themselves of the cause of this tragedy, which is none other than the PLO's presence on their territory.

Question: You recently visited France and met with that country's political leaders. Do you believe it is possible that France will take part in a peacekeeping force in Lebanon?

Answer: Maybe, maybe. As I understood the French stance, the Paris government would consider such participation if it is invited by the Beirut Government, although I must now admit that in Israel we have our doubts about such a participation because of the political and military support of some French official circles for the PLO.

Question: The Syrian minister of information recently stated that both the United States and the Soviet Union should take part in a multinational force in Lebanon. What comments do you have to make on that statement?

Answer: I disagree. I do not believe that the Soviets have any role in such a force.

Question: The PLO leadership seems divided about what they are going to do in the end in Beirut. Can you tell us what Israel will do if the hawks win the battle and decide to continue the struggle in Beirut? Would you maintain your promise not to enter the western part of the city?

Answer: Well, we will have to decide then what will be the next step to take. But, from our viewpoint, the PLO must leave, must leave Beirut as soon as possible. They must obey the Lebanese authorities and leave the Lebanese alone.

Question: It is said that if the PLO finally agrees to lay down its arms, a kind of Palestine government in exile could be set up in Egypt, with U.S.

recognition. Would you accept negotiation with such a government in exile, which President Mubarak of Egypt himself has said he would be prepared to recognize?

Answer: We will never negotiate with the PLO, which is a terrorist organization which seeks the physical and political destruction of the state of Israel.

Question: What is your government's opinion about the talks on Palestinian autonomy on the Left Bank and in Gaza? Because the Left Bank and Gaza mayors recently reaffirmed their support for the PLO as the sole representative of the Palestinian people.

Answer: I hope that there will soon be a resumption of the autonomy talks among ourselves, the United States and Egypt and within the Camp David agreements there could be some form of Palestinian representation. But, as I told you earlier, we will not negotiate with the PLO. And I do not believe that the Egyptians and the others demand it, because it is clear that the PLO is opposed to any effort to achieve peace with the state of Israel.

Question: I have spoken with many people in Israel who believe that a political solution to the Palestinian problem cannot be achieved by military means. Do you share that belief? And if you do not share it, how do you believe a political solution can be achieved?

Answer: We are always prepared for political solutions, but it must be recalled that the violence was brought into the Near East scene by the PLO. Everything can be settled by means of negotiations within the framework of the Camp David agreements. We are faithful to that agreement and are prepared to continue the negotiations within its framework. And let me add that I do not believe in the advantageousness of seeking other solutions or other concepts. It must be borne in mind that the only realistic approach to the Near East problem is precisely that agreed in Camp David, which is the only document accepted by Israel and by an Arab country. It constitutes a revolutionary achievement, and all elements desiring peace in our region should derive the maximum benefit from it.

Question: One final question. Do you believe that Spain and Israel will establish diplomatic relations in the near future?

Answer: The Spanish Government and not I should answer that question. We are ready, and I should add that I can see no reason for continuing with the abnormal situation now existing, in which Spain has become the only country in West Europe without normal relations with Israel.

CSO: 4400/369

DEPUTY PRIME MINISTER LEVI ON LEBANESE CAMPAIGN

TA092007 Jerusalem Domestic Television Service in Hebrew 1815 GMT 9 Jul 82

[Text] This week the prime minister expressed optimism about the chances for a political solution to the question of the terrorists' evacuation from West Beirut. The prime minister said this at the end of the many sessions convened this week, too, during which the ministers heard reviews by the defense minister, the foreign minister, the director general of the Foreign Ministry, the chief of staff and the head of the IDF Intelligence Branch. Following these reviews, the cabinet made decisions about the continuation of the political negotiations. This week's guest of the weekly events newsreel is Deputy Prime Minister David Levi. In an interview with our political correspondent, Elimelekh Ram, the deputy prime minister joined in the view that in the near future the political arrangement that will permit the terrorists' evacuation from West Beirut will be found.

[Begin videotape] [Question] According to the information you now have, what are the chances of removing the terrorists from Beirut politically?

[Answer] The information we now have is that there is a chance that the political effort will indeed be successful and that an agreement will be achieved. I pray that this will indeed be so.

[Question] What still stands in the way of the achievement of this objective?

[Answer] Well, there are various difficulties. First, the PLO's twisting and turning and, second, several conditions that have been rejected out of hand by Israel. I hope that our positions will serve as the guidelines for those conducting the negotiations and that the arrangement [hesder] to be obtained will be based on the lines coordinated with the United States and about which, as we have explained there is no deviation.

[Question] You said, conditions that Israel has rejected out of hand. The question is: In what way can Israel nevertheless help the Americans and the Lebanese who are conducting the negotiations to bring these negotiations to a conclusion?

[Answer] Israel has helped. We have done more than any other element would have done under these conditions by the fact that we declared a unilateral cease-fire of our own free will. Israel did not enter Beirut and it is trying the act [last word in English] along the political path, despite serious doubts by considerable elements. Israel has not hesitated to implement what any force or country in its situation would have done. So, there is indeed a chance for the approach we have adopted, and we would not alter our approach without trying--and, I would say, with urgency, but also with great patience and caution--the political approach.

[Question] Is the question just one of patience and caution or is there also room for making the positions more flexible, in your assessment?

[Answer] I cannot discuss details now. There are positions that the cabinet has accepted as cabinet decisions. These positions have been explained to the United States and we cannot deviate from them. Their main point is the removal of the PLO from Lebanon, with all its branches, both military and political. I think that a deviation from these positions is a return to the situation as it was. It is a matter of time. Israel will not agree to anything that would mean a repetition, in another 2, 3 or 5 years, of the same military operation, so that we should again have to go out to fight.

[Question] You speak about the military action. I understand that the objectives of the war have been obtained. To refer to your hope...

[Answer] Most of them have not yet been fully obtained.

[Question] I am also referring to your hope that the missions, or the political objectives, will be obtained...

[Answer] I hope so.

[Question] The question that I would like to ask you is: Do these things not prove that the defense minister's plans for a new arrangement [hesder] in Lebanon, for a removal of the PLO danger--those plans that existed, in fact, before the war--have been fulfilled or will be fulfilled, fully?

[Answer] I do not deal with the defense minister's plans. For me, there are the cabinet's positions and decisions. They are what are decisive, and it is they that determine and they that guide the cabinet members. That is the line. The line from the beginning was first, to destroy the PLO infrastructure in Lebanon. For months we received reports that proved beyond all doubt that the PLO was strengthening, I would say, in dimensions and in a form that was unprecedented--fortification which also worried military elements. We could not continue to live with such a threat to our security and leave the option to the day when the terrorists would decide to act against us, which would most certainly have caused very heavy damage in the Galilee, in the civilian field, and, perhaps, would also have caused a very heavy price in lives. We have paid a heavy price anyway. As for the

lines that are being dealt with today, a large plan, a small plan, ideas--all these are issues that perhaps involve every minister, but it is not them that guide the cabinet as a team that decides, deliberates and establishes objectives.

[Question] On the same issue: On Saturday evening, 5 June, when the government decided on the peace for Galilee operation, was it decided then that the IDF would go to Beirut?

[Answer] It is very difficult to explain this. It preoccupies the public and should naturally do so. However, when you talk about the destruction of an infrastructure, you cannot say I will move to a certain point and the rest does not concern me. It transpired that their infrastructure and fortifications were deep, extending as far as Beirut. Second, we met an additional force which gave support and cover to the terrorists. This is the Syrian force with which we tried our best to avoid clashing with; but when this force got involved, endangering our soldiers, there was no choice but to implement the cabinet decision, even if this meant clashing with this force which tried to prevent us from achieving the objective.

[Question] Do I understand correctly that some of the decisions on the proceedings of the war were made after faits accomplis were created in the area?

[Answer] I am not revealing a secret but it should be understood that an operation in the field, a war, is not a thing you can determine and follow as if with a ruler. If our soldiers confront a threat in the area, are they expected to take the blow, endanger their lives and say: This is not what the government meant; until the cabinet convenes and decides we will continue to pay the price. We did everything we could to avoid colliding with the Syrians. We made this clear. We transmitted a clear message to the Syrians. The Syrians, for their own reasons, entered the fighting in order to prevent our army from implementing the cabinet decision.

[Question] I am sorry, but I must go back to the question on Beirut. Did the cabinet on Saturday evening, 5 June, decide to go as far as Beirut?

[Answer] The cabinet decided to destroy the PLO's infrastructure in Lebanon and if the PLO's infrastructure extends as far as Beirut--and it is now proven it did extend up to Beirut--then we are in fact carrying out our decision. It transpires that in Beirut itself there is a very serious infrastructure--both military infrastructure and the PLO's nerve center in Lebanon. Israel will no longer tolerate such a presence.

[Question] Mr Deputy Prime Minister, you are quoted as having said in the cabinet meeting that the cabinet is not a branch of the general headquarters. What were you referring to?

[Answer] I do not know who is quoting remarks made in the cabinet meetings. The cabinet discusses matters and adopts decisions which are secret.

[Question] I am not talking about a decision. I am talking about remarks you made in a cabinet meeting. You said that the cabinet is not a branch of the general headquarters.

[Answer] Again, I do not know how you can quote me when you did not hear anything from me.

[Question] I am asking then: Did you say such a thing?

[Answer] I am not subject to interrogation.

[Question] No, God forbid.

[Answer] So, let us put things correctly.

[Question] According to reports on the cabinet meetings, you, together with other ministers, insisted against adopting military options which were, in your estimation, unnecessary. You preferred the political option. Is this true?

[Answer] I do not know where these reports emanate from, but it is no secret that the cabinet acts as a team, it receives information and updates on events and hears assessments. The cabinet members analyze, according to their understanding of the information they have, the implications involved. Each cabinet member expresses his opinion--this is not only his right but also his duty, in this case in particular--and tries to convince his colleagues. Ultimately, it is the majority's opinion in the cabinet which decides matters.

[Question] There is no question about that. What was your position, if I may ask?

[Answer] My position is the cabinet's. The cabinet decided--with an overwhelming majority, I would say--that the political approach should be tried at this stage. We are indeed trying it now.

[Question] Mr Levi, in your estimation, what was the role played by the communications media in this war?

[Answer] On this matter there is an argument which preoccupies not only the government and opposition but the entire public. I cannot get up and make accusations. There are objective and subjective things. Surely, in the course of a war, everybody expects that the communications media will not only report but will also help boost the people's morale. There were some things which seemed to have caused doubts--things that were cultivated. But this will not determine my attitude toward the communications media which, for the most part, faithfully depicted events on the front while endangering the lives of the correspondents there.

[Question] Could I ask you a purely personal question finally?

[Answer] Please.

[Question] Did the fact that two of your sons are serving in the front line of fire affect your position on the war and its moves?

[Answer] I cannot say it did. My heart was full of anxiety just as it would have been even if my sons were not there. We had to achieve the goal since our lives and security are on the line. As for the children, I cannot say I am made of steel. Of course I was worried but can I feel differently regarding other children. It is the same feeling if my children were or were not there. The pain over the loss of soldiers is accompanying each one of us and not just the families concerned deep down in our hearts throughout our lives.

[Question] Mr Deputy Prime Minister, thank you very much.

CSO: 4400/369

DEPUTY CHIEF OF STAFF INTERVIEWED

TA101105 Jerusalem Domestic Service in Hebrew 0805 GMT 10 Jul 82

[Interview with Deputy Chief of Staff Maj Gen Moshe Levi by military correspondent Roni Daniyel within the "Weekly Newsreel"; date and place not given--recorded]

[Excerpts] [Question] Major General Levi, the working plan stipulating that the IDF will remain in Lebanon until April 1983: Is it a technical-organizational assumption or is it also a real forecast?

[Answer] At the end of the war, at the end of the first week of the war to be more precise, we decided that we must examine the impact of this war on various spheres. One of the immediate matters was to provide an answer to the question: How long will we stay in Lebanon? Another factor that influenced the need to adopt a decision soon was the winter, the way we know that season in Lebanon. Our deployment would necessitate preparations which we are not used to. We also estimated--regardless of the specifics of the process, without regarding it as a starting point in determining whether the IDF would or would not leave Lebanon on this or that date--that our stay there could not be a short one because it was clear that the war would have to be followed by a political process. It had been foreseen that the political process would not be short. The government decided that the foreign forces must be removed. Thus, we are dealing with a complex of issues which will certainly call for lengthy negotiations. At the end of the negotiations, the process will be carried out in various stages, in one way or another. Therefore, we determined that our stay would be a lengthy one. Consequently, we deployed the forces, drew plans and took the necessary steps to employ the forces for a long period of time in Lebanon.

[Question] Beyond the problems of clothing, equipment and roads what does such a winter call for from the point of view of the army's preliminary preparations?

[Answer] Look, first of all, an army deploying on a new site must examine all the facts. It must check the terrain, the possibilities of the enemy regarding the terrain, its intentions, the relations with the local population, the existing infrastructure. All these processes are more complicated for us than to plan missions in the Jordan Rift Valley, an area we know from all possible angles.

Secondly, we must examine the question of how does the winter season affect one's risks and capability to use one's force. In my opinion, the risks change; they decrease. The enemy is limited in its use of the forces. As for our capability to use our forces: We must examine each and every system, how it will operate in the winter, in the cold, in the snow, in humidity. This process is currently being applied to all the spheres I have mentioned.

[Question] To what extent is the IDF partner to determining the security arrangements or other arrangements for the evacuation of the terrorists from Lebanon? To what extent is its opinion taken into account?

[Answer] Toward the end of the first stages of the war--at our initiative but mainly according to the defense minister's demand--we started thinking about possible arrangements and their security implications. We have set up a committee composed of military men and civilians from the Defense Ministry and the Foreign Ministry and, according to decisions and basic guidelines submitted to us, we try to present all the scenarios of the security demands or implications stemming from this or that arrangement. I feel that we are full partners in the process.

[Question] It seems to me that attempts have been made recently to define the terrorists' threat to Israel in terms of the tons of ammunition and the quantities of weapons found in Lebanon, we have heard about large amounts. Is that how you define the threat?

[Answer] No. I do not make light of what we have found and what we will find and what we encountered in the area where we are currently stationed as far as warfare means and infrastructure are concerned. This has very large dimensions and has a significance of its own.

It seems to me that we are dealing with an organizational-military establishment which conducted a wide range of activities: Beginning with acts of sabotage or incitement and demonstrations which, although not involving use of weapons disturb life in our territories; through acts of terror and relations with terror organizations throughout the world--these relations were extensive and were given great momentum as a result of the fact that the PLO and other terrorist organizations affiliated with it in actual fact held a strip of land as if it were its own country. It was able to exploit all the potential of a sovereign state for terrorist activities. That is to say, it successfully enjoyed the advantages of both these constellations: Terrorist activities on the one hand and the advantages of a state on the other while it did not have any of the obligations of a sovereign state either through responsibility toward the population and its territory or through relations with various countries.

Therefore, if we say today that, for example, the Jordanian, Egyptian or Syrian armies receive additional weapons and thus, we must immediately adopt this or that belligerent move--this is totally different from a situation whereby the PLO today receives weapons since countries have

certain obligations regarding the use of their forces and the PLO has no obligations. Therefore, the risk must be measured by these dimensions, ranges and approach and not by making a comparison between the 24,000 rifles we took as booty opposite, perhaps, hundreds of thousands rifles in the possession of the Syrian Army. So, why do we deal with the former and not with the latter? This comparison is irrelevant.

CSO: 4400/369

PERES URGES 'COMPROMISE' WITH PALESTINIANS

PM281641 Stockholm DAGENS NYHETER in Swedish 24 Jun 82 p 8

[Interview with Israeli Opposition Leader Shimon Peres by Birgitta Edlund:
"We Must Reach a Compromise"]

[Text] Tel Aviv, 23 Jun--Israeli opposition leader Shimon Peres does not smile much these days. When the radio reports that Syrians and Israelis are fighting with each other once again his face grows even heavier.

Before the Israeli invasion of Lebanon Peres characterized as "dangerous and adventurist" the policies of ultraconservative Prime Minister Menachem Begin and Defense Minister Ariel Sharon.

Now that the Israeli soldiers are dying at the front Peres does not want to criticize the government, but he takes the view that Israeli and all other foreign troops should leave Lebanese territory as soon as possible.

"War is always repugnant," Peres said. "The question is not what the world thinks of Israel's action in Lebanon, but whether there was another solution."

"Yasir 'Arafat was being foolhardy when he thought that he could shell northern Galilee day after day without any consequences. Everyone is allowed to be foolhardy, but here we see the consequences.

"No one has as many Palestinian lives on his conscience as 'Arafat and the grand Mufti of Jerusalem," Peres said.

In his day Peres was Israel's youngest defense minister. He is now leader of the Labor Party, which has many contacts with the Swedish Social Democrats and the Swedish Trade Union Federation. He has also been minister with responsibility for the occupied areas.

"There we were fighting against a 100-year-old, perhaps 1,000-year-old tradition of poverty and apathy," Peres said. "We built schools and hospitals, no matter what you may have been told. We brought water and electricity into the camps, which had been without these previously. We built roads.

"The Palestinians on the West Bank and in Gaza have a free press and free elections. The only places in the Arab world where free elections have taken place," he said. "Every day Palestinian papers publish in Arabic tough criticism of our government," he said.

He believes that the mutual hate and contempt and bitterness between Palestinians and Israelis can be bridged.

"Look at Israel and Egypt," he said. "We have made peace after decades of conflict."

He also draws parallels with countries in Europe which were archenemies and which now are allies.

"We must reach a compromise," Peres said. "Moderate Palestinians, Israelis and leaders from Jordan must meet."

He quickly dismissed the PLO as a negotiating partner by saying that the PLO's extremism is a major obstacle and that the PLO is also deeply divided into different factions.

Peres does not believe in a Palestinian government in exile in Cairo with 'Arafat at its head: "Damascus would immediately set up its own Palestinian government in exile," he said. "And even if 'Arafat gives up in Beirut, other Palestinian leaders would continue the fight."

Since the war it is now abundantly clear that the debate and the criticism in Israel of the Israeli Army's progress through Lebanon will reach storm proportions. Protests are already growing. It is the first time that soldiers in the Israeli Army have expressed their despair and doubt about their orders to journalists. The soldiers' criticism will acquire immense importance in Israeli domestic politics because such a large part of the army of invasion consists of reservists who will eventually return to their civilian jobs.

Peres agrees with the invasion's originally stated objective--a security zone stretching 40 km northward from Israel's border with Lebanon where a strong multinational force would be deployed. However, Peres and his party have been strongly opposed to the saturation bombing of the Lebanese coastal cities of Tyre, Sidon and Damur, and the systematic bombardment of Muslim West Beirut.

It is also well known that under no circumstance does Peres want the new occupied areas to be transformed into a new West Bank. He takes the view that Israel must withdraw its troops as soon as possible. However, Israeli military governors have already been appointed in the occupied areas, just as on the West Bank. There the local leaders only deal with minor matters. Along the roads in the occupied Lebanese areas there are already roadsigns in Hebrew.

Peres refuses to criticize the government and its decisions. But he also refuses to take part in a government of national unity alongside Begin and Sharon. He hopes that peace negotiations will begin soon.

"We have not had the international reaction we might have expected," he said. "The Soviet Union has been surprisingly calm in its criticism of the Israeli invasion. The U.S. reaction to the invasion has been surprisingly mild. But most amazing of all have been the actions of the Arab states," he said.

"The Syrians are fighting, but the other Arab states which for years have supported the PLO as the Palestinian people's rightful representative have only given worthless verbal support. This is one of the most serious setbacks ever for the PLO," Peres said.

Peres repeated that a peacefully negotiated settlement must come. When I told him that the Palestinian leaders in Gaza and the West Bank said that one of the prerequisites for negotiations--the first prerequisite--is that the Palestinian leaders be treated like people and not like some fourth-class creatures, Peres smiled melancholically.

"They tell you one thing and they talk to us in a completely different way," he said. "The hate and the bitterness can be removed. It has happened before in history. Give us time."

CSO: 4400/369

INTERVIEW WITH COMMUNICATIONS MINISTER TZIPORI ON LEBANESE CRISIS

TA092312 Jerusalem Domestic Service in Hebrew 2125 GMT 9 Jul 82

[Interview with Communications Minister Mordekhay Tzipori by Yitzhaq Livni on 9 July--recorded]

[Excerpts] [Question] As a cabinet minister and, as I see it, as a man of opposition within the cabinet, it is natural to deal with you about future questions stemming from the current situation in Lebanon. However, before we discuss this future we cannot skip current events. As you know, there are few issues over which there are so many contradictions, such as the question of whether the PLO will leave Beirut or not. We hear all possible kinds of information--the PLO, for example, announces it will not leave Beirut while the Americans, in their name, say they will leave the city. What do you know about this now?

[Answer] First, I am not a man of opposition within the cabinet. I am a regular cabinet member and when I have my own views I get the opportunity to air them. Sometimes I do influence things and sometimes I do not. Certainly nobody dictates my opinion to me. On occasion my positions are taken into consideration. So, you had better drop the talk of an opposition man. I am a cabinet member par excellence. Second, I should add that not everybody just sits and thinks--we should not forget those tens of thousands of soldiers in the area who are fighting and collecting the terrorists' large arms depots.

[Question] Is it not true that it was quoted in the press by a serious journalist--I read this only today--as follows:

Ari'el Sharon: I am sure that some here would be happy if I moved over to the American side.

Ambassador Lewis: Are you referring to Mr Tzipori?

Ari'el Sharon: I am not referring to anybody in particular.

Ambassador Lewis: We would only be happy to receive you on our side.

Begin: What can we do that Mr Tzipori cannot sometimes restrain himself?

Is this not a correct quote?

[Answer] Surely not a correct quote.

[Question] This is Yosef Harif, a serious journalist.

[Answer] In principle, Yosef Harif is a very definite organ which is not open to argument. There are certainly some among my many colleagues who have these or those preferences and interests. I am definitely on the Jewish side and what is good for the Jews. My arguments are to the point. Who feeds Yosef Harif? Nobody needs my testimony in Israel and it is unnecessary for me to address myself to this. It is a pity you did not tell me at the beginning that this is a quote from Harif, for I would have told you that I would not address myself to it at all.

[Question] Let us move over to matters themselves again. Do you assume that the PLO will indeed leave Beirut without the need for a military operation on our part?

[Answer] This is an open possibility. Today the state of Israel has made immense achievement. This is expressed in the fact that the Americans' positions are identical to ours. If the United States adheres to these positions--and we have good positions in Lebanon that can affect affairs there--there is a chance that the PLO terrorists will leave Beirut.

[Question] The Americans, however, continue to demand [litbo'a] some, at least symbolic, PLO political presence in Beirut as well as a small military presence. We continue to oppose this.

[Answer] This is an argument then. We have positions of power to insist on ours.

[Question] Will we not make concessions on any matters here? After all, one reaches a compromise after negotiations.

[Answer] Let us say that we have aspirations today which enjoy almost full U.S. support except for some small details. There is no doubt that it will be a folly if the state of Israel does not try to take advantage of the situation created today till the end.

[Question] And it will not reach a compromise on the matter of leaving some political and military presence in Beirut?

[Answer] It would not be wise for me to speak of compromises when negotiations are underway. I had reservations in the past as well about compromise proposals. We paid a heavy price, but a new situation has developed in the arena; we also have support for our demands [derishot] to a large extent, an extent never before enjoyed by the state of Israel. Indeed, except for the agreement reached between the state of Israel, Britain and France in our campaign in the Sinai, this is the first time that a certain superpower has sided with us on over 90 percent of our demands [tevi'ot].

[Question] And until when will we wait? Will we not propose a binding timetable--namely, that if by a certain date we do not receive a final and binding answer on the PLO's part, we will enter Beirut nevertheless?

[Answer] To the best of my understanding, we should not set any timetable. The political system should not be restricted by schedules. The assumption that every day is critical is correct but how many such days will there be--this must not be predetermined. In my opinion, at least, as long as we have a dialog with the Americans and the Americans have a dialog with a reasonable chance of success with the Lebanese Government, and so on and so forth, this political process should be given a chance.

[Question] If a date is not set though, cannot this last infinitely?

[Answer] There are no infinite things. Criticism used to be leveled at the Israeli prime minister about the katyushas and the Israeli Government about the missiles. Well, the katyushas were removed and the missiles were destroyed. We are not rushing anywhere. We are generally strong and today, in our position in Lebanon, we are in a position of enough power to render possible all the necessary flexibility to make use of the political processes to the very end.

[Question] Are you arguing with somebody in the cabinet on this point or is this the accepted view, by the defense minister, for example?

[Answer] I do not know what is accepted and what is not. I certainly do not use double talk and when there are deliberations in the cabinet I certainly present this position. There are things I will not tell you here but my thesis [last word in English] is to exhaust the political processes. I think this is acceptable to most cabinet members, beginning with the prime minister.

[Question] As we heard, 'Arafat objects to the Americans' entry into Beirut only after the terrorists leave. He wants the Americans to enter before. Questions arose about this, on the part of the defense minister, for instance. It is said: What would happen if U.S. Marines are in Lebanon and the terrorists go back on their word and refuse to leave Beirut; the Americans may then prevent us from militarily entering Beirut.

[Answer] There is no doubt that we are aware that such a situation may develop and therefore the position of the Israeli Government is that the terrorists should leave first and then the Marines will enter.

[Question] Will the government firmly insist on this?

[Answer] Yes.

[Question] Will not the very entry of the Americans make things difficult for us later? Will we not lose our freedom of action regarding Lebanon?

[Answer] I think not. If the Americans enter and properly fulfill their role, there is a chance there will be a guarantee for the stability of the

Lebanese Government. I believe that without a neutral force in Lebanon to help the Lebanese Government to rehabilitate itself and to try to mend breaches which may not be amendable to mending, no government in Lebanon stands a chance.

[Question] If the terrorists decide not to leave Beirut, do we indeed have a definite military option to enter Beirut after everything the Americans said, with the knowledge of what happens in a war in an urban area, with all the victims involved? Do we indeed have such a total [last work in English] military option?

[Answer] Let us say the following: Every military option should undoubtedly have some political basis or support. However, we are not a satellite of any country and the fate of Israel since its establishment has been in its own hands.

[Question] What about the risk of many victims?

[Answer] This risk has also been always in our hands. Therefore, each of the moves will have to be weighed according to the situation at a given moment. Under circumstances today there is a chance that things may be accomplished without military moves. If the state of affairs changes we will have to discuss it anew.

[Question] Is there also an interim option? There were hints--quoting Ari'el Sharon--that we have very interesting options between the one of not doing anything and the one of full military entry into Beirut. I do not assume you will tell me--if you know indeed--what options are being discussed, but what could the nature of these options be?

[Answer] I will not give any examples here. In my opinion, discussions of various options are overly open in the state of Israel. This may be discussed publicly in quiet days and not when the cannons are firing on the front. I think there are various ways for this or that kind of pressure and we will have to discuss them when and if the situation changes. At the moment the Israeli Government has given time for the political moves and I hope--in the interest of all parties, to prevent victims from all parties--that the political option will indeed attain its goals.

[Question] Doesn't the U.S. involvement in Lebanon to a large degree create a recognition of the PLO which had not existed before? Habib, in fact, is largely talking with the PLO.

[Answer] No. The U.S. involvement in Lebanon is intended to give a chance to the establishment of a Lebanese Government that will be able to rule Lebanon.

[Question] However, the PLO is an element in this affair.

[Answer] No, the PLO is a troubling factor which the Americans, through their involvement are trying to remove from Lebanon.

[Question] But they are talking with this troubling factor and in one way or another this is more of a recognition than before.

[Answer] Let us say that this does not reflect complete ignoring this factor but one should see the milestones. The Americans' milestones today are the disarming of the military and political--according to our demand [derishatenu] power of the PLO in Lebanon and giving backing to a Lebanese Government that will be able to start running the state affairs and shake off the chaos of the murders, robbery and rapes prevailing there ever since the PLO became powerful there with Syrian support.

CSO: 4400/369

INTERVIEW WITH LT GEN REFA'EL EYTAN

TA081742 Tel Aviv BAMAHAANE in Hebrew 8 Jul 82 pp 4-6, 61

[Interview with Chief of Staff Lt Gen Refa'el Eytan by BAMAHAANE correspondents 'Manu'el Rozen and Yosef Eshkol on 5 July: "The War Around Beirut Is a Fight for Eretz Yisra'el"--place not given]

[Excerpts] [Question] How would you sum up the achievements of the Peace for Galilee campaign?

[Answer] This war can only be summed up to a point, since from the political viewpoint it has not yet ended. From the military viewpoint, we may have achieved objectives. I say "may" because negotiations are now being conducted about the fate of the PLO remnants, with its leadership and fighters it has left in Beirut.

If we discuss the achievements so far, then, first of all, from the military viewpoint, we were victorious over both the terrorists and the Syrians with whom we clashed. We attained every objective that we had set for ourselves. We are not inside Beirut because we did not set for ourselves--nor was this set for us--such an objective. Despite the difficulties--not that they were unexpected, but it is difficult to discern them from a map or aerial photographs--we came to this territory to purge it of terrorists and Syrians, as we had planned and as we had to do.

Our achievements are also measured in terms of whether the army was properly prepared for such a war. It is clear that had there been another war, the question would have been whether the army had been properly prepared for that war. Perhaps, in fact, this is the main achievement of this campaign: The army was properly prepared, it was properly trained, the emergency stores were properly prepared and what we had to put into operation was put into operation on a very high level.

I see general achievements in this. Of course, there are lessons from the war in all fields, which we will have to analyze; we will have to learn from individual battles, organizational and technical lessons, as well as lessons involving this or that specific matter in our campaign.

[Question] In your opinion, did the Peace for Galilee campaign succeed in returning Lebanon to what it was before, when it was a flourishing country and a good neighbor to Israel, before the terrorists and Syrians entered it? I am asking you this question because we know that for years you have personally followed this issue and you believed in this chance, although there were many who had their doubts about it.

[Answer] Lebanon's chance, without terrorists, of returning to being a country is of course greater after the campaign than it was before it. But I want to stress that it was not for that that we set out on the campaign. There is no connection between the decision to undertake this campaign and the future regime in Lebanon. This campaign was undertaken to liquidate the terrorists, their organizations and the entire system they had built up in Lebanon--and nothing more than that. If, as an end result of this campaign, the situation in Lebanon changes--then this will be a bonus of the campaign.

[Question] But the situation in Lebanon also has a military implication regarding us. After all, Lebanon as it was never fought against us in any war....

[Answer] Why do you say that? It fought against us in 1948, and in the 6-day war the Lebanese also acted as though fulfilling a duty and attacked us with a few aircraft. We downed several of their aircraft, and after that we cancelled the armistice agreement with Lebanon.

The internal political system in Lebanon is not simple and it will not be any simpler after this campaign, with one change: Two factors that were dominant in Lebanon--the PLO and the Syrians--are no longer dominant. As a result of the campaign the PLO's strength has been exterminated and the Syrians have also been weakened. This has an influence on the internal balance of forces, because the weaker the PLO, the stronger someone else becomes, relatively. But, let there be no misunderstandings: It was not for that that we undertook the campaign. These are side benefits that perhaps will be and perhaps will not be, because of the internal situation in Lebanon. Lebanon's chance of giving birth to a different rule within itself is now greater, because without the campaign the PLO would not only have kept its strength, but it would have even doubled it, since within a few months it would have doubled itself in numbers and strength. In such a situation Lebanon might have turned into a Palestinian state. Perhaps there are some who think that this would have been good for us. I do not think so, as long as the Palestinians have not conceded the desire to destroy us.

[Question] What is the situation now? What is left of the PLO today?

[Answer] It is difficult to estimate what is left of it inside Beirut and I can only imagine. It is difficult to make a definite assessment of how many fighters it has and what their fighting spirit is. But there are prominent facts. Once they had many guns in Beirut--at least 18 PLO guns and more guns belonging to the Syrians--and katyusha launchers. Today, at

this very moment, one solitary gun is firing there. Have they really been left with only one gun? Have they really been left with only one tank, as far as we know, from the 40 tanks they had in Beirut?

This is the physical strength which can be measured and its ability assessed. As for the leadership that is left: From our viewpoint, it must play the role of a leadership even in the small place where it is. It is only thus that they will be able--and this is what they are fighting for--to revive themselves, to collect people, to receive aid in order to regain what was destroyed in this war. This is what their fight is about and this is also what we are fighting for--that this should not happen.

Well, what is left of the PLO? Its military strength is insignificant. Its political strength is also becoming weaker and there is a simple sign of this: Not one Arab country is prepared to receive them. Not one. They are being told, stay in Beirut or die there. They are turning this problem of theirs--that nobody wants them--into a sort of heroic struggle. But the truth is that they remain politically isolated. The support they are gaining is only verbal, as is the Arabs' custom. There may even be several Arab countries, including some considered to be extremist, that would be very happy if this affair ended and they were no longer a threat to any Arab country--a threat that in any Arab country in whose territory they were present, what happened to Lebanon could happen to it.

[Question] What can we do to prevent a rejuvenation of the terrorists' military power?

[Answer] If the conditions laid down by the cabinet are fulfilled--that they must evacuate Lebanon, not only Beirut, but all of Lebanon--then, in fact, not one Arab country will allow them to regain their military strength. Now, imagine what would have happened in Judaea and Samaria if we had left it as they want and as a small minority of Jews wants. What they would have done to build up their military strength there? If they were to do half of what they did in Lebanon, it would be impossible to live even 1 day in this country. But I think that not one country will allow them to renew their military strength on its territory.

[Question] Let us move on to what is happening today in the field. Are there any attempts by terrorists or Syrians to attack the IDF forces that are in the Beirut area or in other places?

[Answer] Such attempts are made all the time. Almost every night there are clashes. Last night three terrorists were killed in the al-Biqa' area.

[Question] Is the IDF prepared for a long stay in Lebanon?

[Answer] You have short memories. Such questions were certainly asked in 1967: Is the IDF prepared to stay for a long time along the canal (Suez Canal)? What will happen? And similar questions. We remained along the canal for more than 16 years. This army is well organized and has logistic ability. It can stay in Lebanon for a long time. It can leave it rapidly.

It can clean up what has to be cleaned up behind it, as much as is needed. The army is a tool that is now letting us enjoy the fruits of the fight--which is at present a political fight. Let us assume that the army came along now and said that it was impossible to stay in Lebanon--that it is far away, there is dust, it is hot during the day and cold at night and it is even worse in the winter. The country would immediately lose all its achievements, and all those who fell in the campaign would have been sacrificed in vain. But the army can easily accustom itself to all conditions everywhere, whether it is far away from the homeland or close to it, on condition that it is serving the homeland.

Our stay in Lebanon is serving our fight for Eretz Yisra'el. This, in fact, is the point. The whole of this war around Beirut is also a fight for Eretz Yisra'el. It is not a fight for Beirut, so that we should have another capital city. This is a fight for Eretz Yisra'el, a war against our main enemy in this fight for Eretz Yisra'el. This is the main enemy, who has fought us for Eretz Yisra'el for the last 100 years.

[Question] Can we take it from what you say that one of the achievements of the Peace for Galilee campaign is the fact that we have prevented a war initiated by the Syrians in the Golan Heights?

[Answer] In my opinion, we have prevented a war initiated by the terrorists with Syrian backing. The Syrians were prepared for a war, but apparently it was for a war in an indirect form.

What can we learn from what we are finding now in Lebanon? There was a cease-fire with the terrorists that lasted for 1 year. The terrorists established this entire system in Lebanon over the last year. Before that, perhaps there was something, but not as large and as organized. The following scenario was likely to have developed: One day they decide to open fire, at their initiative, after coordinating with the Syrians. The terrorists' system, as well as the Syrian Army, goes into a defensive action [mignana] and the terrorists open fire at the settlements. The state of Israel reacts. How? In the air and, as we have always said, by going out to drive the terrorists farther away. But now the situation is different: In Lebanon we are attacking a prepared and organized system, with thousands of tons of ammunition, hundreds of artillery pieces and more than a hundred tanks, with very many people and fortifications, tunnels and caves. All of this is ready to greet us, and we enter and fight very hard in order to move the terrorists. We pay a heavy price in the fighting. And then the Syrians say: If you enter Lebanon, we are going to open a second front on the Golan Heights. They then only declare a state of emergency and bring forward artillery, without violating the disengagement agreement. Then, if they see that we are close to success, they can open fire on the Golan Heights. That would be a difficult situation for us, even if we are only confronted with the terrorists and the Syrians, because they initiated the war while we have still not called up the reservists and there is already firing. Moreover, it is necessary to enter Lebanon rapidly in order to rescue the settlements from massive fire. We also have in our possession their orders and we know the plans that they had prepared to destroy the settlements.

[Question] During the campaign, very specific orders were given to avoid hitting the civilian population. How was this carried out in the field?

[Answer] First of all, the orders were not given during the campaign, but ever since we began speaking about this campaign and planning it, behavior in the field was one of the issues which we repeatedly stressed and explained on all levels. And this applies not only to this war, but to all the actions we have carried out in Lebanon over the last few years--in the air, the sea and on land.

How was this implemented in the field? Every unit solved the problem to the best of its ability, in accordance with what confronted it.

[Question] Were there any cases in which such issues were decided by a higher level?

[Answer] Definitely. When the question of what to attack from the air and where to concentrate the artillery fire came up, we took into account what the mission was and, in contrast to this, what was the risk of civilians being killed and innocent people being harmed. I myself worked on such issues many times.

[Question] Were moves in the battlefield held up in order to prevent the civilian population from being harmed?

[Answer] They were held up. In the conquest of Tyre there was one such outstanding incident, when an advance was held up in order to give the civilians time to evacuate the town.

[Question] I would like to conclude with a more personal question: Today there is a phenomenon of opposition to the war by a section of the public. There are also reservists who have come back from the battlefield complaining that the campaign was unnecessary, that people fell needlessly. How do such things affect you, as chief of staff, and how do they affect the soldiers?

[Answer] After the Yom Kippur war there were also protest movements and after the 6-day war there were people who asked: Why did we conquer Judaea and Samaria? Since I am confident of the rightness of this war, such talk does not affect me. I just pity those who behave as though they were blind and do not recognize this enemy and the firmness of his desire to destroy the state of Israel. They cannot imagine what could happen to us if their desire comes true and a Palestinian state is established in Judaea and Samaria, and what sort of a country Israel would be then, if it existed at all. If they have to undergo such an experience, it will be too late and there will no longer be anyone to explain what a mistake they made.

The complaints against the war, in my opinion, have no effect on the army's fighting spirit. The damage is perhaps in the opposite direction, that this talk is strengthening the morale of Israel's enemies, who are saying to themselves: Perhaps they, the Israelis, will crumble from within. But, as I said, I do not see any damage to the army's morale.

EYTAN ADDRESSES ARMoured UNIT IN LEBANON

TAl10720 Jerusalem POST in English 11 Jul 82 pp 1, 3

[Report by Charles Hoffman]

[Text] Al-Biqa' Valley--Chief of Staff Rav-Aluf [Lt Gen] Refa'el Eytan said last week that Israel is fighting in Lebanon to win the struggle for Eretz Yisra'el not to help the Lebanese or to interfere in their politics.

Eytan told the officers and men of a front-line armoured unit that the outcome of the fighting had created a "once-in-a-generation opportunity to change conditions in our favour in the struggle over Eretz Yisra'el." Destroying and uprooting the terrorists' base in Lebanon, he said, would weaken the Palestinians' opposition to the Jewish presence in Eretz Yisra'el.

Both Syria and Israel must ultimately leave Lebanon, he said, adding that if the Syrians stay the "Palestinian problem" will arise again.

Israel will not tolerate a "war of attrition," with the Syrians, he said, nor will it allow them to set up antiaircraft missiles in the al-Biqa' again.

In an apparent reference to the Alignment government of 1974, he said the current leadership "would not let Galut [Diaspora]-like feelings of 'what would the world say' dictate its response to Syrian attempts to start a war of attrition."

Eytan's statement about a possible war of attrition came in response to a question from one of the soldiers about the losses sustained in the heavy fighting over a segment of the Beirut-Damascus Road during the last week of June.

Eytan said the situation along the road east of Beirut posed three major problems for the IDF. First, the Syrians were attempting to infiltrate terrorists into West Beirut along this route. Second, they used this foothold to shell or otherwise threaten IDF forces in East Beirut and further south in the central sector.

Third, Eytan said, the Syrians thought they could start a war of attrition along the road. Israel had taken advantage of Syrian violations of the cease-fire to improve its positions, he said, thus showing the Syrians they would only lose by such actions.

"We decided that we would do what we wanted (in response to the Syrian fire)," he said. "If they opened fire, we would take a hill. If they took a hill, we would move in and take two hills, and so forth."

By taking the 20-kilometre stretch of road, the IDF solved all three problems at once, he concluded. If the area had not been taken "we would now be in a very difficult situation on the issue of Beirut," he added.

Describing the "excellent" performance of the Merkava tank in its first test of combat, Eytan did not indicate whether anti-tank missiles, tanks or Gazelle attack helicopters, which were used in combat for the first time by the Syrians, had taken the greatest toll against the Merkava. However, he said that no T-72 tank hit a Merkava, adding that the Syrians did not put many of these advanced tanks into battle.

In his talk to the soldiers, Eytan put great stress on their responsibility to treat the Lebanese civilians properly. "We have liberated the local population from the Syrians and the terrorists," he said, "and we have common interests. In fact, we have a greater chance of developing friendly relations with Lebanese civilians than we do with Egyptian civilians."

He said that this requires both proper behaviour and appearance on the part of the soldiers. "The Lebanese have a different concept of what constitutes a good soldier. If you go around looking like 'shlumpers,' [Yiddish for untidy] they'll treat you accordingly," he said.

Looking around at the Merkava tanks parked between the fields and vineyards, Eytan urged the soldiers to take care "so that you don't even step on a flower."

"If you trample or uproot vines to improve your position, know that you are destroying a farmer's years of hard labour. Even now people are working here in the fields, and we must consider their needs and feelings," he stressed.

CSO: 4400/369

GOVERNMENT SHOULD AVOID 'SYRIAN TRAP'

TA051005 Tel Aviv MA'ARIV in Hebrew 5 Jul 82 p 5

[Commentary by Shmu'el Segev: "The Israeli Edition of the 'Syrian Trap'"]

[Text] The Israeli Government's decision to expand the objectives of the war in Lebanon has tarnished the achievement of the annihilation of the terrorist infrastructure beyond the border and confronts the IDF with a mission which is difficult to attain and has a dubious far-reaching value.

Since the Syrian Army units entered Beirut in January 1976 the Lebanese president was considered as a "Sarkis-thanks-to-al-Asad." Through its open support for the Maronite leader, Bashir al-Jumayyil, and its active backing of him as a presidential candidate, Israel has turned the commander of the "Christian Phalange" into a "Bashir-thanks-to-Begin."

In order to maintain the Sarkis regime Syria was forced to maintain a permanent garrison in Lebanon which operated at the "invitation" of the president under the guise of a "Pan-Arab deterrent force." This force was mainly financed by Saudi Arabia and the oil emirates. Nevertheless, the Syrian presence did not prevent the Christian force from consolidating, under Israel's aegis. Not long afterwards the leaders in Damascus realized that their presence in Lebanon could not expand the authority of President Sarkis and restore to him sovereignty over all Lebanese territory.

All the signs indicate that Prime Minister Menahem Begin, in cooperation with Defense Minister Ari'el Sharon and Chief of Staff Lt Gen Refa'el Eytan, are about to make the same mistake President al-Asad did. It is clearly emerging that Menahem Begin strives to put the Maronite Bashir al-Jumayyil in control over a country with a clear and absolute Muslim majority.

Last week there were people in Jerusalem who thought that if the IDF did not occupy West Beirut the Peace for Galilee operation could not be considered a full victory. When the IDF took over a wide section of the Beirut-Damascus Road in the last stage of the fighting, the defense minister justified it by saying that "whoever controls the Beirut-Damascus Road in fact dictates the composition of the Lebanese Government." Hence, the political objective of the Israeli military initiative was clearly defined, in a fashion which left no doubts about the future intentions of the Israeli Government.

Even before the campaign in Beirut has concluded one may discern the numerous difficulties involved in the establishment of "a new settlement" in Lebanon. In the wake of acts of revenge and looting the Christian forces perpetrated against the Druze minority, a senior Israeli personality suggested to Bashir al-Jumayyil to immediately stop harassing other minorities in Lebanon because if he really wants to be elected to the presidency, he must gain maximum support from other minorities in Lebanon.

Indeed, Bashir al-Jumayyil got the message and launched a systematic effort to recruit the support of the other minorities. In his lightning visit to Riyadh, al-Jumayyil promised the Arab foreign ministers that he would not favor the Christians over the Muslims although he refused to make a public announcement denying his close ties with Israel. In a visit to Druze leaders in the al-Shuf area, al-Jumayyil explained that the IDF had not entered Lebanon to save the Christians "but in order to avenge the assassination attempt against Ambassador Shlomo Argov." In a talk with the Muslim pro-Saudi leader, Sa'ib Salim, he said that the fact that the "Phalange" did not join the fighting alongside Israel proves that "the goals of the Christians and Israel in Lebanon differ." Through Salim's recommendation, al-Jumayyil also phoned Yasir 'Arafat.

However, all these moves do not conceal the fact that Bashir al-Jumayyil is indeed relying on the IDF's bayonets in Beirut. The tension in the relations between the Christians and the Druze has not eased in spite of the reconciliation efforts and there are signs indicating increasing tension between various Christians sects in Lebanon. Also, Sa'd Haddad is apparently bitter that Israel "put all their bets" on Bashir al-Jumayyil whereas his own role in the Peace for Galilee operation has been left in the dark.

In view of all these developments--and regardless of the results of the campaign in Beirut--Israel must beware of the "Syrian trap" syndrome in Beirut. Since al-Asad put Sarkis in control, there have been two enclaves in Lebanon outside the authority of the Lebanese president: That of Major Haddad in southern Lebanon and that of Bashir al-Jumayyil in the Juniyah area. The fact that the central government was not in full control--despite a constant Syrian military presence--was a permanent recipe for the continued instability and the frequent military clashes between Christians and Muslims.

If that was the case in Sarkis's days, it will be all the more so in Bashir al-Jumayyil's days. Despite control over the Beirut-Damascus Road and the linking-up of the IDF troops with the "Christian Phalange," al-Jumayyil's men do not control northern Lebanon (mainly the area of Tripoli). Of course, neither do these forces control al-Biqa' where considerable Syrian troops are still stationed.

Moreover, Lebanon has always been known for the large number of active armed gangs. In spite of President al-Asad's numerous efforts the Syrian Army has failed to prevent their activities and this danger also looms over Bashir al-Jumayyil. Hence, in order to maintain the rule of this Maronite leader a permanent and constant Israeli military presence will be required in Lebanon.

Therefore, precisely because of its impressive military achievement, Israel must do everything possible not to inherit the "Syrian trap" in Lebanon. Instead of concentrating all its efforts on Bashir al-Jumayyil Israel must also develop ties with the Muslim leadership in Lebanon. If Israel succeeds, these ties would become a model to be initiated by other Arab countries and will be the seed for expanding the circle of peace in the future.

CSO: 4400/369

ISRAEL

ENVOY TO ZAIRE MEETS MOBUTU

TA281348 Jerusalem Domestic Service in Hebrew 1120 GMT 28 Jun 82

[Text] The Israeli Ambassador to Zaire Mikha'el Mikha'eli today presented his credentials to Zairian President Mobutu Sese Seku. Our political correspondent Shim'on Schiffer reports that before that the ambassador delivered a personal letter from Prime Minister Menahem Begin to President Mobutu. Shim'on Schiffer reports on the contents of the letter to the Zairian president:

[Begin Schiffer recording] The prime minister made a promise, and with his letter he wishes to prove that he fulfills his promises. At the time, Begin expressed his willingness to help the Zairian head of state to receive monetary and political support. In the letter delivered by the ambassador, the prime minister reported on his talks with President Reagan, with the resignation of Secretary of State Haig and with the member of the house subcommittee which deals with extending aid to African states. The prime minister found time in all those talks last week to explain the importance of U.S. aid to the Mobutu regime.

As mentioned, the first Israeli ambassador in 9 years presented his credentials to President Mobutu this morning. During the ceremony, the president and his aides, among them the president's military aide who is an IDF officer, stood facing the Israeli Embassy staff: Mikha'el Mikha'eli the ambassador, adviser Moshe Itan and honorary consul Me'ir Meyuhas. President Mobutu said that the resumption of relations with Israel is an expression of African independence. The peoples of Africa fought European colonialism in the past and, according to President Mobutu, today we face Arab neocolonialism. Zaire has broken through the fear barrier, which other countries in Africa have not yet dared to go through.

Next week the first Zairian ambassador to Israel will arrive here. President Mobutu has appointed to this post one of his personal aides. [End recording]

CSO: 4400/369

NO SOVIET T-72 TANKS RETRIEVED FROM LEBANON

TAl10805 Jerusalem THE JERUSALEM POST in English 11 Jul 82 p 2

[Report by Joshua Brilliant]

[Text] Tel Aviv--Israel does not have any of the modern Soviet T-72 tanks it knocked out in fighting in the al-Biqa' Valley because they were hit in an area from which it is too risky to retrieve them.

The IDF deputy chief of ordnance, Tat-Aluf [Brig Gen] Me'ir Nitzan, said on Friday that bringing the tanks back from the area north of the Beirut-Damascus Road "wasn't worth the finger of even one soldier." Nitzan was speaking during a press tour of the IDF's exhibit of captured weapons and ammunition at the Tel Aviv fairgrounds.

Nitzan was repeatedly asked why Israel was not displaying any of the T-72 tanks it claimed to have destroyed in the war. T-72 tanks form the backbone of the Soviets' armoured corps and this was the first time the "super-tank" has seen action against Western tanks. According to Nitzan, nine T-72s were destroyed by Merkava tanks.

Nitzan at first declined to say Israel did not have any of the T-72s, but under repeated pressure said they were hit in an area where a retrieval mission would be too dangerous.

Some of the terrorists' equipment exhibited at the fairgrounds here is similar to that used by Arab armies in the 1960's.

But the cannons with a range of 27 kilometres are still used by the Soviet Army and the Katyusha rockets--Israel found 5,700 of them--are new. The German-British made G-3 rifles were used in the Falklands, the army said.

Shells for 155mm cannons were also found, although the Palestinians have no guns for them. Nitzan said he believed such guns were to be supplied by Libya.

Meanwhile, the army is continuing its search for arms, especially in the area around West Beirut which the terrorists insist Israel must vacate in a deal involving their withdrawal from Lebanon.

CSO: 4400/369

IDF USING ARMS CAPTURED FROM PLO, SYRIANS

TA040815 Tel Aviv IDF Radio in Hebrew 0640 GMT 4 Jul 82

[Interview with head of IDF Quartermaster Branch Maj Gen Yohanan Gur by Doron Rosenblum at Tel Aviv fairgrounds 3 Jul 82--recorded]

[Text] [Question] Maj Gen Yohanan Gur, the exhibition of terrorist and Syrian war material captured in the Peace for Galilee operation was organized in a short time. What were the problems involved in this and how did you overcome them?

[Answer] It is true that the exhibition was organized within 30 hours. We did not have any special problems. We did it.

[Question] How would you define the purpose of the exhibition?

[Answer] I would say the exhibition's purpose is that it is important that Jews know, that the nation of Israel know, what the IDF faced and what it could have expected if not for the Peace for Galilee operation.

[Question] In respect to the captured arms generally, what does the army intend to do with the fantastic quantities of arms that were gathered in the Peace for Galilee operation?

[Answer] There are weapons here that have already been repaired, checked and put into regular use by the IDF--in the combat units, of course--there are types of weapons here that are modern and sufficient in quantity, that we will consider and examine if it is possible to put them into use by the IDF.

[Question] Is there not a certain problem, a symbolic one, perhaps in converting Eastern arms, for example, into standard arms for the IDF?

[Answer] No. If the arms are good and can be of help to us, we will put it into use without any problems.

[Question] Can you specify what weapons might be put into use by the IDF?

[Answer] I will give a number of examples: You have here anti-tank launchers of the RPG type--we have already put them into use by the IDF; you have here light weapons of the Kalshnikov type, which we will certainly put into use by the IDF; and you also have here heavy cannon of the 135 mm type which will be put into use by the IDF. We are also considering putting additional types into use by the IDF.

[Question] What about arms that will not be put into use by the IDF? Will they be stored or sold to other states?

[Answer] At this stage I cannot say what will be sold and what will be stored. Decisions on this matter have yet to be taken.

[Question] Is there speculation about how these arms came into the possession of the terrorists--weapons such as the German G-3 assault rifle, which only recently was put into use by NATO? How did it get into their hands, for example?

[Answer] It seems that all money is green and the fact is that it got into their hands.

CSO: 4400/369

IDF REGULATIONS ON CONDUCT IN LEBANON

TA011931 Tel Aviv ITIM in Hebrew 1750 GMT 1 Jul 82

[Announcement by IDF spokesman]

[Text] Rules of Conduct in the Territories Held by the IDF in Lebanon

The General Staff Manpower Branch has issued detailed instructions on the rules of conduct in the area held by the IDF in Lebanon. These regulations apply to soldiers in service (compulsory and regular) as well as to reservists, IDF-employed civilians and civilians on IDF missions who are in Lebanon, whether on duty or not. These are the regulations:

General

1. Soldiers and civilians inside Lebanese territory are representing the IDF and the state of Israel to the inhabitants of that area and the local institutions. As such they must behave in an appropriate, dignified manner.
2. Any disruption of the normal life of the inhabitants should be avoided, as should any actions that could harm a peaceful population. Special care must be taken not to harm women and children and to respect the local inhabitants' particular sensitivity to the woman's honor.

Binding Rules of Conduct

3. Commerce With Local Inhabitants

- a. It is forbidden to purchase any goods from local inhabitants, except for the following:
 - (1) Soft drinks sold in a can or a bottle that have not yet been opened; hot drinks--coffee or tea--after boiling.
 - (2) Cigarettes and matches in limited quantities, not above the individual's consumption per day.

b. Shopping from local inhabitants will be done under the following restrictions:

(1) It is forbidden to buy from local residents goods or services at reduced prices or at unreasonable prices.

(2) It is forbidden to pay in credit.

c. No goods--whether military property or nonmilitary property--will be sold. Similarly it is forbidden to supply any services to the inhabitants for a price.

d. In order to avoid misunderstandings, a ban is likewise imposed on the purchase or sale of local goods by way of trading.

e. It is forbidden to introduce into Israel goods purchased in the territory held by the IDF apart from the items specified in clause 3a. Goods purchased from local inhabitants in contravention of the above regulations will be seized and confiscated; the violators will be tried.

4. Rules of Conduct in Religious Sites and Places of Cultural Value

Behavior in the religious places will be in accordance with the following rules:

a. The IDF soldiers must avoid harming places that have culturally valuable items, including antiquities, museums, scientific collections and the like.

b. It is necessary that care be taken to behave quietly and in good manners in religious places. The feelings of the faithful should not be hurt and the sites should be kept intact and in proper shape.

c. One must not enter into holy places in order to conduct searches; this may only be done upon the explicit instruction by an authorized commander holding the rank of at least major.

d. It is necessary to make sure one is properly attired when entering a holy place.

e. It is forbidden to enter holy places with animals.

f. It is forbidden to take photographs in holy places. Any photography near a holy place will be done in a manner that cannot be offensive to the place.

g. It is necessary to carefully follow the instructions on signs near the holy places or the cultural assets.

h. Under no circumstances is it permitted to destroy holy places or places of cultural value even if they are deserted (such as deserted mosques and the like). It is forbidden to use them for any purpose, and it is not allowed to fly flags, insignia or other such things on them.

5. Transportation in Vehicles and Hitchhiking

- a. It is forbidden to travel in a public or private vehicle belonging to an inhabitant of the occupied territory.
- b. Soldiers will be permitted to hitch rides in an Israeli car near an army camp, tent or military encampment.
- c. It is forbidden to ride in a car belonging to a foreign representation, a UNIFIL vehicle or any other car bearing a white license plate with black digits, or a vehicle bearing the following characters next to the digits: UN, CD, CC.
- d. It is forbidden to obtain monetary loans from local inhabitants.

The Movables Inside the IDF-Occupied Territory in Lebanon--Rules of Conduct

1. Soldiers are not allowed to take, use or be in possession of any equipment to be found in the IDF-held territory unless under army statutes.
2. If a soldier should find in the said area equipment, or if such equipment should reach him and should he take possession of it, he should immediately notify his commander.
3. The treatment of this equipment will be carried out according to General Staff regulations 50.0301, 50.0302 and 50.0303, as the case would require.
4. Soldiers must not touch the private property of any individual, or touch public property or movables that are the property of a foreign country or a terrorist organization; they must likewise not touch vacated property. Taking hold of such property will only be done in accordance with General Staff Regulation 50.0303.
5. Personal belongings of a man who has been apprehended by the IDF--excluding military-type belongings--will only be taken from him at the place where he is being detained, and this is where they will be kept in trust.
6. This clause does not alter or amend General Staff regulations 50.0301, 50.0302 or 50.0303.
7. In the above clause, "belongings" stand to mean:
 - a. Movables that are the property of a foreign army or of a terrorist organization, whether they are military in type or not.
 - b. Movables that are an individual's property of military character in possession of someone belonging to a foreign army force or to terrorist organizations, or in the hands of any other hostile element.
 - c. Deserted quarters.

PALESTINIAN REFUGEE AID SCHEME PROPOSED

TA021044 Jerusalem POST in English 2 Jul 82 p 17

[Report by Charles Hoffman]

[Text] Following a 2-week study of the problems of the Palestinian refugees in southern Lebanon, former Sheli MK Arye Eli'av has proposed that the government send in a team of experts to work out a comprehensive programme for refugee rehabilitation.

Eli'av, who carried out his survey while in the reserves, said that he had submitted a preliminary report and recommendations to the Defence Ministry, and that it was now up to the Cabinet to decide whether to follow them up with a more thorough examination of the problem.

He said that if such a team of experts was set up, he would be prepared to head it. Eli'av acquired considerable experience in the rehabilitation and resettlement of refugees in Iran and Nicaragua and headed the Lakhish settlement project in Israel in the 1950's.

He confirmed estimates made by UNRWA (and reported in THE JERUSALEM POST) that about 50 percent of the houses and facilities in the six refugee camps near Tyre and Sidon had been destroyed in the recent fighting. Some of the camps were almost completely wiped out, while others suffered only minor damage.

Eli'av said that his proposals focused on immediate aid and rehabilitation, and did not deal with resettlement.

The head of the Office for Aid to War Victims in Lebanon, Under Minister Ya'akov Meridor, said last week that the government was considering relocating the homeless refugees in permanent housing. UNRWA said that some 50,000 Palestinians lived in the camps, and another 60,000 registered refugees resided in towns and villages near Tyre and Sidon.

CSO: 4400/369

MERIDOR SAYS 331 LEBANESE CIVILIANS KILLED

TA051037 Tel Aviv IDF Radio in Hebrew 1005 GMT 5 Jul 82

[Text] Minister Ya'akov Meridor estimates that Israel has spent about \$50 million for its aid and relief activities in Lebanon. The minister was visiting in Lebanon. He told our correspondent that 331 Lebanese civilians, mostly inhabitants of Sidon, were killed in the war. Our correspondent, Hayim Ravya, was speaking to Minister Meridor.

[Begin recording] [Meridor] The final figures are: 10 killed in al-Nabatiyah, 265 in Sidon, 56 in Tyre.

[Ravya] Do these figures include the inhabitants of the refugee camps which came under attack?

[Answer] Yes. When I spoke about this issue at the Knesset I said I was not sure whether the inhabitants of the refugee camps were or were not included. Today I can say with certainty that they are included since no other corpses or villages were found.

[Question] Minister Meridor, are there any precise estimates about the number of refugees leaving Beirut and reaching the area under our control in the south?

[Answer] Their number is estimated at around 40,000. The population of al-Nabatiyah when I visited there 3 weeks ago amounted to 7,000 people whereas today the population is over 20,000. Since this town had been inhabited by 70,000 people that means that there is still room for absorbing more people, not exactly in the areas near the beach but inland. We estimate that 40,000 people returned and were absorbed in one way or another.

[Question] Does the budget for all the rehabilitation activities in Lebanon come from the Israeli taxpayer or is there cooperation with Western countries or organizations?

[Answer] The first aid--the first distributions of food and fuel, help in hospitals, medicine, transferring people to Israel for medical treatment aboard helicopters--has cost us a fortune. However, this is our money and it is included in the war expenses.

[Question] How much did it cost? Is there an estimate?

[Answer] It is hard to know, it cost a great deal of money, I could not say, it cost something around \$50 million [End recording]

HOUSES PROVIDED FOR SETTLERS IN HEBRON CENTER

TA010948 Tel Aviv HA'ARETZ in Hebrew 1 Jul 82 p 1

[Report by Tzvi Bar'el]

[Excerpt] Four ready-made housing units were placed in the center of Hebron, near the Jewish quarter. Three units were placed near the Avraham Avinu Synagogue which is attached to the vegetable market and the fourth was placed near the Hadassah building in the center of town.

These units are intended as living quarters for families from Qiryat Arba' who for a long time have been asking to be allowed to live in Hebron. It should be noted that until now civilians were only allowed to live in the Hadassah building but because of crowded and bad sanitary conditions suffered by the settlers in this building it was decided to build the new houses and let more families live in the center of Hebron.

Sources in Hebron reported an intention to fit the building of the [Usama Ban Monqadi] School for living purposes. The school, which is also near the Hadassah building, was closed not long ago because of violent clashes between its students and the Hebron settlers. The school building was owned by Jews in the past. Hebron's acting Mayor Mustafa 'Abd al-Nabi al-Natshah complained that the civilian administration has destroyed four houses near the city. Defense sources said that the houses were built without a permit and this is why they were destroyed. According to the mayor those houses have existed for at least 5 years.

CSO: 4400/369

ISRAEL

EXPORT DEAL WITH LEBANON REPORTED

TA030524 Tel Aviv ITIM in Hebrew 2230 GMT 3 Jul 82

[Text] Export Deal With a Lebanese Businessman

Metulla, 3 Jul (ITIM)--The first export deal between the "Mediterranean Company for Supplies and Services" owned by Koor and Rosasco and 'Ali (Hadid), a Lebanese businessman from Sidon, has been signed in Metulla.

The deal includes the export of cement and glass totalling nearly \$50,000. The Mediterranean Company for Services and Supplies was established about a week ago with the aim of transporting goods from Israel to Lebanon and helping with the immediate supply of goods and supplies urgently needed by the inhabitants of Lebanon.

Among other things, the deal will involve the export of glass, concrete and the supply of basic food commodities. The company's director, Mr Shmu'el Ohana, said that the company will fulfill all that is demanded of it in the field of supplying food and construction materials.

Apart from the main office in Tel Aviv, a branch has also been established to receive the public in Metulla. Another branch will be opened in Nahariyya and there is also some question of establishing a branch in al-Nabatiyah in southern Lebanon.

Mr Ohana said that in the first week of opening the office in Metulla, scores of Lebanese already came to examine possibilities of purchasing goods in Israel. The exports from Israel to Lebanon will be subject to the export laws and will include taxation and customs duties.

CSO: 4400/369

BRIEFS

ARABS SENTENCED--Lod, 12 Jul (ITIM)--The military court in Lod today sentenced (Mahmud Hamis Hamad) aged 31 from Lod to 12 years in prison plus 5 years suspended sentence for heading a Fatah terrorists network in Lod and Ramla. The members of the network--20 Arabs from Ramla and Lod--were found in possession of huge quantities of arms and explosives with which they wanted to carry out terrorists attacks in the center of the country. (Mahmud Hamis Hamad) was convicted of murdering a 48 year old antique dealer from Bethlehem, (Nasrallah Alsahuri). As the murder investigation began it transpired that the defendant headed a terrorist squad that includes Israeli Arabs. When he found out that he was being looked for, he fled to Egypt, reported to Fatah members there and was sent to Beirut to join the Fatah. The leaders of that organization told him to carry out a series of terrorists acts in Ramla and Rishon Leziyyon. The defendant admitted the charges against him. In reading out the verdict, court President Col Aharon Alpern noted: "We must view this affair of a terrorists squad organizing among Israeli Arabs with utmost gravity." [Text] [TA121818 Tel Aviv ITIM in Hebrew 1810 GMT 12 Jul 82]

VIENNA IMMIGRANTS CENTER CLOSES--The immigrants hostel for Soviet immigrants in Vienna will be shut down until the end of this week because of the drop in immigration. The head of the Jewish Agency's Absorption Department, Refa'el Kotlowitz, has reported that from now on all the arrangements will be made to transfer the immigrants from Vienna to Israel the day they arrive in Vienna, or at the latest within a day or two. Our correspondent notes that this step marks the severance of ties between the Jewish Agency and the Hebrew Immigrant Aid Society [HIAS]. In June, 169 Jews left the Soviet Union, but only 43 of them immigrated to Israel. The Jewish Agency reserves the right to restore the operation of the immigrants hostel in Vienna. [Text] [TA291909 Jerusalem Domestic Service in Hebrew 1700 GMT 29 Jun 82]

NEW SETTLEMENTS IN WEST BANK--The Zionist Federation Settlement Department intends this year to build 10 new settlements in the West Bank: Netafim (near Bet Aba), which will be settled by Amana (the settlement movement of Gush Emunim); 'Ateret (by Amana); Yo'ezer (by the Herut-Hatzohar movement); Nahal Ginat (a Nahal pre-settlement near Janin); Hermesh (a Nahal pre-settlement near Dotan). The following settlements will be built this year according to the plan in Judaea: Ma'on (in the southern Hebron hills by Amana); Yavin (a Nahal pre-settlement in the southern Hebron hills);

Negohot (a Nahal pre-settlement in the western Hebron hills); Nahal Adora (a Nahal pre-settlement in the southern Hebron hills); Nahal Eshkholot (in the western Hebron hills). In addition, the Settlement Department plans building five settlements in the Gaza District (Gush Qatif), four settlements on the Golan Heights and four in the Jordan Rift Valley. [Text] [TA281326 Tel Aviv HA'ARETZ in Hebrew 28 Jun 82 p 10]

TERRORISTS TO BE TRIED--Suspected terrorists under the age of 16 years would in the future be tried in juvenile courts and not in military courts, under an amendment to the Juveniles Law discussed in the Knesset Labour and Social Services Committee yesterday. Suspected terrorists aged 16-18 would be tried in a special military court possessing powers under the Juveniles Law to rehabilitate them outside the ordinary prisons system, according to the same draft amendment. Two members of the committee, Shoshana Arbeli-Almozlino (Alignment-Labour) and Mordekhay Ben-Porat (Telem) said the law should be changed, to enable 14 year-old suspected terrorists to be tried in military courts as well, in view of the group of Arab youths of that age trained for terrorism in Lebanon (and already nicknamed "the FPG kids" since they were trained mainly to fire the rocket-propelled grenades.) [Text] [TA290834 Jerusalem POST in English 29 Jun 82 p 2]

SHARON EQUIVOCATES ON LAND DEALS--Defense Minister Ari'el Sharon refused to reply to a question by MK Amnon Rubinstein on the expropriation of land in Judaea and Samaria, explaining his refusal to give an answer by saying that if he replied this could harm state security. He relied on a clause in the Knesset regulations permitting him to do so. Rubinstein asked what is the size of land in Judaea and Samaria that has been seized as state land or taken for army purposes by the military governors; he also asked what is the size of the land purchased by the (Himanuta) Company, other institutes and private individuals. He further asked about the compensation sums that have so far been paid as a result of seizure of land for military purposes. To repeat, the minister declined to answer the query, claiming that an answer would harm the security of the state. This information was learned by our Knesset correspondent, Moshe Hakohen. [Text] [TA281746 Tel Aviv IDF Radio in Hebrew 1735 GMT 28 Jun 82]

PAPER ON PALESTINIANS' FUTURE--Hebron, 5 Jul--"All the Arab leaders from Baghdad to Rabat do not want to see even a single Palestinian on their territory," the past issue of UMM AL-QURA, the organ of the Judaea and Samaria area village leagues, edited by engineer Muhammad al-Nasir of Hebron, writes. The paper states that following events in Lebanon and in view of the disgraceful Arab stance, "the wounded Palestinian people must find their own way, regretfully among the ruins and bodies of its sons, and taken matters into their own hands with the hope that they may now be able to realize some of their aspirations. UMM AL-QURA calls on the Palestinians to stand behind a real leadership with the aim of reaching a solution that will guarantee their lives on this earth and guarantee that their brothers dispersed throughout the world will be able to return to the soil of Palestine. [Text] [TA051824 Tel Aviv ITIM in Hebrew 1650 GMT 5 Jul 82]

EAST JERUSALEM MUSLIM COUNCIL EXPANDED--Jordan has expanded the East Jerusalem Muslim Council and has added to it members from many Judaea and Samaria sectors, including some non-religious figures. Among them are ousted al-Birah Mayor Ibrahim al-Tawil, who used to be one of the leading figures in the National Guidance Committee; and East Jerusalem Communist activist Ibrahim Daqqaq. Our correspondent Pinhas 'Inbari reports that it looks as though Jordan has decided to turn the East Jerusalem Muslim Council into its central institution in the territories to fill the gap left behind by the disbandment of the National Guidance Committee. Jordan made this decision before the latest events in Lebanon took place. [Text] [TA030825 Jerusalem Domestic Service in Hebrew 0800 GMT 3 Jul 82]

KNESSET APPROVES STATE BUDGET--On the strength of the coalition votes, the Knesset has approved the state budget of 475 billion shekels for fiscal year 1982. The budget law has also been approved. The security budget will be 128.5 billion shekels. The education budget will be 11.5 billion shekels. The chairman of the Knesset Finance Committee, Shlomo Lorincz, defended the budget proposal for 9 long hours, responding to hundreds of reservations expressed by the opposition members. In his estimation, the Lebanese war will cost about 60 billion shekels. The opposition sharply criticized the budget law which expands the finance minister's powers on the issue of public corporation. The Tehiya movement abstained. [Text] [TA301743 Jerusalem Domestic Service in Hebrew 1700 GMT 30 Jun 82]

WEST BANK VILLAGERS OPPOSE LEAGUE--A large demonstration was staged in the village of 'Asirah al-Shamaliyah near Nabulus to protest including the village in an area village league. The demonstration was dispersed without injuries. Our correspondent Pinhas 'Inbari has learned that some of the members of the village council announced that they will resign to protest the inclusion of the village in the area village league. [Text] [TA301709 Jerusalem Domestic Service in Hebrew 1600 GMT 30 Jun 82]

VILLAGE LEAGUE IN NABULUS--Nabulus, 4 Jul (ITIM)--A new village league was recently established in the Nabulus district. The league is headed by (Jawdat Maslahah), the head of the 'Asirah al-Shamaliyah local council. The ITIM correspondent in Judaea and Samaria points out that the new village league comprises 30 mukhtars of villages and urban neighborhoods and it has already received a large grant of funds for development purposes. The village leagues now "cover" the entire region and operate in the districts of the Hebron, Bethlehem, Ramallah, Tulkarm, Janin and Nabulus. [Text] [TA041657 Tel Aviv ITIM in Hebrew 1610 GMT 4 Jul 82]

GAZA AREA CIVILIAN SETTLEMENT--The 'Azmona presettlement, in the Qatif district, will today become a civilian settlement and thus will end the dogged struggle that the Gush Emunim settlers conducted since they settled in the Sinai after al-Sadat's visit to Jerusalem. The former presettlement was not recognized by the government and consequently the settlers did not receive compensation when they were evacuated. They are seeking to maintain the new settlement along the lines of a cooperative moshav. [Text] [TA050818 Jerusalem Domestic Service in Hebrew 0700 GMT 5 Jul 82]

TERRORIST PROPAGANDA MATERIAL UNCOVERED--Ramallah, 4 Jul (ITIM)--The security forces today uncovered a large terrorist propaganda center in Ramallah where papers, photographs, colored posters, propaganda posters, books and even cassette recordings of nationalist songs were on sale. In the course of the investigation, five men and two women were arrested on suspicion that they sold and distributed the material. It has been learned that further arrests may occur. The propaganda center was located in the Women's Association building in an isolated place on the outskirts of Ramallah. On sale in the center were the AL-TALI'AH newspaper of the Communist Party in the territories--whose distribution in the region was banned--along with colored posters of hands covered in blood, of armed terrorists setting out to fight and of wounded Palestinian children. Also on sale were calendars featuring a picture of IDF soldiers dispersing demonstrators and PLO propaganda posters along with books and magazines published by the PLO in Lebanon and cassette recordings of nationalist songs. The ITIM correspondent in Judea and Samaria points out that this is the first time such a large amount of printed and recorded material has been uncovered in the region. [Text] [TA042022 Tel Aviv ITIM in Hebrew 1910 GMT 4 Jul 82]

RAFAH HOUSES DESTROYED--Almost all of the 210 housing units destined for destruction along the separation line on the Israeli side in the town of Rafah have been evacuated and destroyed. The owners have received suitable compensation and are now busy building their new homes in the Sultan suburb near the Rafah beach. The leveling of the evacuated area is being finished these days. The ground will be leveled along a strip of 40 meters from the border line crossing Rafah. The area will be fenced in order to prevent infiltration from the Egyptian side and vice versa. A special committee has been working over the last few weeks on the subject of infiltration into Israel of Egyptian citizens residing in the Sinai. The committee decides case by case whether the infiltrator should be brought to trial before he is legally returned to Egypt, and whether the infiltration was done for reasons harmful to Israel's defense. [Excerpt] [TA021709 Tel Aviv MA'ARIV in Hebrew 2 Jul 82 p 5]

WEST BANK FAMILIES REUNITED--Ramallah, 13 Jul--The civilian administration authorities have agreed to the unification of 100 Palestinian families in the Ramallah district as a gesture to mark the month of Ramadan. The families granted unification received licenses for this today from the head of the civilian administration in the Ramallah district who explained in his remarks that the war in Lebanon was not against the Palestinians, but against the terrorist organizations. Representatives of the families expressed gratitude for Israel's humanitarian deed and preparations are already being made to bring to the area their families, who have spent many years in neighboring countries. [Text] [TA132006 Tel Aviv ITIM in Hebrew 1855 GMT 13 Jul 82]

CSO: 4400/369

HARATINE QUESTION EXAMINED

London WEST AFRICA in English No 3388, 12 Jul 82 pp 1817, 1818

[Article by Howard Schissel]

[Text]

"THAT IS one of my family's former slaves. He comes by from time to time to see if he can be of help, but what he is really looking for is a handout," remarked Abdel Wedoud, a sociologist at the Mauritanian Institute of Scientific Research as we dined on the patio of his modest villa in Nouakchott some weeks ago. When his wife learned that he had given the man 1,000 ouguiya (about £10), she emphatically said that it had to be the last time. "It is a real problem for me," added Abdel Wedoud with a shrug, "for as a very junior civil servant I do not have sufficient funds to assure the upkeep of all my family's numerous former dependents."

With only scant employment opportunities — there are only an estimated 35,000 salaried jobs in the country, most concentrated in Nouakchott — former slaves, known as Haratine, find it practically impossible to earn a living and are often obliged to fall back upon traditional, quasi-feudal, ties of solidarity to survive. As Abdel Wedoud comments: "In contemporary Mauritania, it is the economic system which keeps the people enslaved, for alternatives are limited."

The ruling Military Committee of National Salvation officially banned slavery in July 1980, the third time it has been declared illegal since 1905. Although open slave markets no longer exist, more discreet forms of trading between masters still takes place. Women are worth twice as much as men since under Mauritanian customs the children of slaves belong to the master. It is important to stress, however, whatever cruelty is involved in Mauritanian slavery, it is a far cry from the sort

practiced last century in US plantations in the Deep South or in Latin America. It is more a domestic institution with masters and slaves living together.

Slavery in Mauritania is usually presented as the domination of Moorish masters of Arabic descent over black Africans. In reality, this institution is much more complicated. The black tribes along the Senegal river valley also possess slaves, as do other ethnic groups in the Sahel belt. There are two varieties of slavery in Mauritania: Abd and Haratine. The former are domestic slaves occupied in household tasks, while the latter are theoretically free but still live in feudal dependence in the rural areas where they work the land or tend the flocks of their masters. The Haratine are allowed to use the land of their masters in exchange for a percentage, usually two-thirds, of the produce.

The figure of the number of slaves or former slaves in Mauritania is a controversial question. A recent report published by the United Nations Human Rights Commission, based on a field survey by the London Anti-Slavery Society, claims that there are as many as 300,000. The government carried out a census in 1977, but still refuses to release the results. Some government officials say that up to a third of the 1.2m. population could be living in a servile condition.

Sensitive issues

The slavery question is a delicate problem for it overlaps with a number of other sensitive political issues. For example, the compensation of slave owners was promised by the government, a decision strongly contested by El Hor (Free Man), the

emergent Haratine pressure group. The committee supposed to hammer out details of compensation has yet to meet, and western diplomats in Nouakchott wonder how the government could raise the funds to pay for such an action. Likewise, the liberation of the Haratine workforce in the countryside is essential to encourage agricultural development. Under the present system, the Haratine have no incentive to improve yields for most of the fruit of extra labour will go to their ex-masters. A land reform programme has long been on the agenda, but successive governments have pigeonholed this explosive reform measure.

Sweeping changes have taken place in Mauritanian society over the last decade, prompted by the Sahel drought and the war in the Western Sahara. An important consequence has been a virtual end to the nomadic way of life. Only 25 per cent of the population lived in the urban areas in 1970, while by 1981 this figure had jumped to 65 per cent. Thus, traditional tribal ties (and antagonisms) have started to erode, with a new social consciousness gradually making itself felt. In particular, the Haratine have become aware of their potential political and economic clout. "The bulk of the traditional workforce in the countryside and the modern sector in the towns is composed essentially of Haratines," says Abdel Wedoud. A leading member of El Hor said: "We are Mauritania's lifeblood, and our political role in years to come will be determinant in the country's evolution." In a society characterised by the racial cleavage between the Moorish and black populations, the Haratine could

eventually tip the balance in one direction or the other. For this they must become a coherent force. At present, the Haratine movement has many ambiguities to overcome. For example, in a rural area, studied by Abdel Wedoud, the Haratine were claiming possession of land in a dry river bed (wadi) according to their tribal origin. Likewise, when I asked a young Haratine worker in Nouakchott why he continued to send part of her meagre earnings to the family of his former master, he shrugged his shoulders and exclaimed that it was the will of God.

However, a new elite of Haratine, educated and activist, has started to come to the forefront. For instance, Captain Braika Ould M'Barack, the newly-appointed military commander of the Nouakchott region, is of servile origin. So is Hamoyd Boitgel, deputy secretary of the Mauritanian trade union movement, and Boubakeur Ould Messaoud, a Russian-educated architect who serves as adviser to the minister of housing. Moreover, a number of Haratine now occupy commanding positions in business circles.

Will these community leaders use the Haratine question as a springboard for their own social promotion along the lines of the traditional clientele system, or can the rank and file Haratine impose a more radical course on the leadership? Already in the extensive shanty town surrounding Nouakchott groups of Haratine have set up self-defence organisations to protect runaway slaves from possible exactions from their masters. Indeed, once the Saharan imbroglio is solved, the Haratine problem could come to dominate Mauritanian politics.

BRIEFS

CHINESE TRADE SHOW--The Peoples' Republic of China will hold a trade exhibition in Ruwi in October. Chinese goods including textiles, foodstuffs, light industrial products, carpets and arts and crafts will be on display. Mr Li Shui Lin, Commercial Attache at the Chinese Embassy said this week that the show which will be similar to one held in February 1980 would give a better understanding of Chinese goods to Omani people, particularly businessmen. China, which established diplomatic relations with the Sultanate in May 1978 has held several trade exhibitions. These, Mr Lin says, have contributed a lot in boosting Chinese trade with Oman which amounted to about 16 million US dollars during 1981. A Chinese business group is also expected to visit Muscat at the time of exhibition. Meanwhile a five-member trade team of the Chinese Light Industrial Goods Corporation is due to arrive in Muscat this week. The team will have talks with Omani businessmen. [Text] [Muscat TIMES OF OMAN in English 1 Jul 82 p 3]

CSO: 4400/367

NEW DEVELOPMENTS IN COOPERATION COUNCIL STATES REVIEWED

Paris AL-NAHAR AL-'ARABI wa AL-DUWALI in Arabic No 265, 31 May-6 Jun 82 pp 22-24

/Article by 'Ali Hashim: "War Is Pushing the Gulf toward Egypt and It is Striving toward Solidarity and a Miracle"/

/Text/ The occasion was the passage of a year since the establishment of the Co-operation Council of the Arab Gulf States.

On May 25 1981, the leaders of the Kingdom of Saudi Arabia, Kuwait, Qatar, the state of the United Arab Emirates, the Sultanate of Oman and Bahrain signed the documents establishing the Gulf Council, which time and developments have proved to be more than adequate not just to get the Arab Gulf area moving toward unity but also to function as a safety valve and factor controlling the security and stability of this region.

The Gulf has witnessed more than one event with the conclusion of the first year in the life of the council, and it is awaiting the occurrence of more than one development whose seriousness no one yet knows.

The first event was the issuance of the sentences in what has been called the "destructive plot" in Bahrain. As observers had anticipated, there were no death sentences among the verdicts and just three life sentences, for three people accused of leading the "plot"--a Bahraini, an Omani and a Saudi. Meanwhile, 60 people were sentenced to 15 years in prison and 10 others to 7 years. A total of 73 young people were involved, including 13 Saudis, an Omani and a Kuwaiti, and it has been frequently stated that 15 of them were no more than 14 years old.

The issuance of the sentences was delayed 2 days. They were to have been issued Thursday 20 May but that conflicted with the celebrations of Muhammad's midnight journey and ascent and was followed by a Friday, when the departments take the day off and activities are suspended; so they were issued on Saturday.

No official in Bahrain commented on the sentences. After about 6 months of investigations and trials, the attempt was discovered a few days before the national holiday, which fell on 16 December 1981. The trials started on 13 March of this year in a courtroom in a small village on the east coast of Bahrain, and masses of security men and equipment took charge of guarding it and the roads leading to it. The sentences cannot be appealed and the official authorities made them low

because the accused were arrested before carrying out their scheme and also death sentences might stir up dissension within the island, which has an economy based on services, that is growing rapidly, and needs security and stability most of all. Observers have admitted that Bahrain managed to pass through this crisis in an elegant manner, without spilling a drop of blood, and that all the countries in the region rallied around it and hastened to sign bilateral security agreements in preparation for a common security agreement and to establish security coordination to avoid any direct occurrences in the future. Bahrain also avoided the occurrence of deep rifts in its internal structure.

The Situation Has Become Stabler

However, the noise over the number of prisoners and their relationship with Iran has intensified.

The prime minister, Shaykh Khalifah ibn Salman Al Khalifah, said, in response to a question on the prisoners and their number "It is the foreign press that inflated events by estimating the number of prisoners in the thousands."

He added, in a press interview, "The number of prisoners in Bahrain, including people convicted of theft, the commission of violations and so forth, does not exceed 500, a small number when measured by the population of Bahrain." He pointed out that the prisoners in what is called "the plot" did not exceed the 73 people against whom sentences were handed down. There were suspects who managed to escape the country and the authorities have their names and know where they are living now.

Concerning the country which was behind the prisoners, he said, "Bahrain has spoken a great deal about this neighboring country because it knew in advance that it had established camps to train people to establish a state of instability not in Bahrain alone but in all the Gulf countries."

Shaykh Khalifah pointed out that what happened "has not weakened the security situation--rather, it has become stronger. Nor has it weakened trust in the countries in the area or become a warning signal." He held that what has happened should concern everyone "because stability is necessary for development, investment and business, but weakness has not been instilled in people's spirits to the point where work has stopped, as some people go so far as to state." The establishment of the Gulf Cooperation Council has inspired trust, and that must instill further confidence in the east and the west in continued development and its ramifications in the region."

The emir of the state of Bahrain, Shaykh 'Isa ibn Salman Al Khalifah, answered a question on the "plot" by saying "It is an incident which has ended and we must not give it much importance. It had not just Bahrain as its target but also all the Cooperation Council countries, and they faced it with radical measures as a precaution, in the wake of which measures were adopted to which others besides the country contributed."

Bahraini Activity

Shaykh 'Isa has been the most active of the heads of state in the region this month. He visited the Kingdom of Saudi Arabia and Kuwait and he has been on a visit to the Sultanate of Oman this week.

Concerning this activity, Shaykh 'Isa said that his visits were to discuss bilateral relations and then to discuss developments in the situation in the Gulf and Arab contexts, proceeding from the unity of destiny and aspirations for a better future which the peoples of the region hope to achieve through the Gulf Cooperation Council, on which they have placed all their hopes so that that may be a nucleus for Arab unity which will yield positive returns not just for the Middle East but for the whole Arab world.

The emir of Bahrain hopes that the conditions for resuming the Fez Summit with all heads of Arab states in attendance will be met.

He declared that Egypt's return to Arab ranks was necessary and of the utmost importance because Egypt was an integral part of the Arab nation.

For his part, the Bahraini minister of information, Mr Tariq 'Abd-al-Rahman al-Mu'ayyad, said that Shaykh 'Isa's visit to Muscat was to hold further consultations, to inform Sultan Qabus ibn Sa'id of the results of his conversations with King Khalid and the emir of Kuwait, Shaykh Jabir al-Ahmad al-Jabir al-Sabah, and to review the opinions presented on a number of Arab and international issues.

Al-Mu'ayyad added that the Gulf Cooperation Council was the outcome of the work of 10 years of fruitful cooperation and coordination among countries in the area in many fields. He expressed his optimism over the third Gulf summit, which would be held in Bahrain in November, and hoped that this summit would be fruitful and would yield benefits for everyone.

He added, "Areas of mutual defense and security are in the forefront of the issue the leaders of the council are thinking about, because of the increased problems in the area on the one hand and the large numbers of people with ulterior motives on the other. The Gulf Cooperation Council will be of great effect in coordinating joint action and asserting to the outer world that this is a single region and that any attempts to play around with its security will meet with a collective response."

The Bahraini minister of information called for further cooperation and coordination among the countries of the region.

Concerning the possibility of setting up a rapid deployment force, he said, "If our brothers in the Gulf consider that there should be deployment forces to protect one another, we are in agreement with them. If they consider that these forces should be made up of people from each country, we are again in agreement with them. The basic goal of the meetings that are being held in the security and defense area is for us to arrive at a general notion of the security problem. Any danger that threatens a part of the region threatens the whole region."

The concerns of Bahrain, which officials say have been dispelled, and which a visitor to the island cannot sense, are not the Gulf's only concerns. They are concerns which time has transcended, and new concerns have cast their shadow over the region.

Al-Muhammarah, or Khorramshahr, has fallen and the Iranians have taken it back. What comes after al-Muhammarah?

This question now presents itself forcefully in the Gulf. Iraqi forces have returned to the international boundaries, that is, the Gulf war in the Khuzestan or Ahvaz front has returned to its state of 20 months ago, that is, when this war started. Will the Iranian forces cross these borders or will they fail to do so, as the Iraqis say? If they do, what will the situation be? What position, indeed, will the Arab countries in the Gulf take? Will the Iranians' invasion bring in the revolutionary current the Iranians have long been brandishing before the Arab regimes, or will it stop short of that, as the Iranians have stated in their official conversations with some leaders in the area, especially the state of the United Arab Emirates and some Arab officials who side with them against Iraq?

There is silence in official Gulf councils, alongside a headlong rush to learn about developments, and questions for visitors on what they expect.

What after Khorramshahr?

In the Gulf, consultations are continuing, and Bahraini-Omani conversations are a part of these. There is also an ongoing reassurance that the Arab Gulf will enjoy immunity, especially since the two big powers, while taking a position resembling indifference toward the Gulf war, or seeming to do so, will not allow the sparks to fly beyond the international borders of the two belligerent countries, that is, Iran and Iraq. This, at least, is the position of the West, the United States of America and Egypt.

However, now that Iran has regained Khorramshahr, what is the fate of the conference of Cooperation Council foreign ministers, which was kept open, was held in Kuwait and recessed, and is to resume at the end of this month in Riyadh?

Observers say that the few days separating the fall of Khorramshahr and the date for the resumption of the emergency Gulf Cooperation state foreign ministers' conference sessions may decide many things.

These days may witness the miracle of a suspension of the Gulf war, now that the Iraqi forces are back on their borders, or they may intensify the war with new penetrations of the border by one side or another.

In addition, the coming days will not bring any degree of optimism on what is called Arab solidarity and the search for a possible resumption of natural Arab-Egyptian relations, especially following the communique by the conference of foreign ministers of the Steadfastness and Confrontation Front countries, which warned against any Arab participation with Iraq in the Gulf War, and bluntly declared its opposition to any quest to bring Egypt back to the Arabs, with the "Camp David" policies that would entail.

Varying Interpretations

However, informed persons in the Gulf say that there are other interpretations on the region which differ from those of the Perseverance and Steadfastness Front. The Arab Gulf countries are more concerned than others to create peace in the region, stop the Gulf war and inhibit the dangerous developments that might entail. From this point of departure, they support Iraq, calling on it to bring about an honorable just peace which would recognize the legitimate rights of the two parties to the dispute from the vantage point of history and the custom of international law.

These countries, in light of recent developments, have also moved closer to Egypt than others have. They do not take the view of Mubarak's Egypt that the Perseverance and Steadfastness Front does. Rather, they have now come to see, in Egypt, an Arab force that can stand alongside them and help them in the event they face any danger--and danger is imminent, because of the Gulf war and because of the intentions the Soviets might be contriving along the edges of this war. The Saudi minister of defense and aviation, Prince Sultan ibn 'Abd-al-'Aziz, has referred more than once to these intentions.

Some of the Gulf countries which view the situation in this manner and from this point of view are now going to the Sultanate of Oman, which considered, before and after the establishment of the Cooperation Council, that the countries of the region must cooperate with the West from a position of sovereignty in order to establish a balance between it (especially the United States of America) and the Soviets, who, having tightened the noose around the oilwells, are viewing the Gulf war in the manner of one who anticipates that the two belligerent Gulf states will be worn out and fall into its pocket through the medium of loyal secret organizations and parties in the two countries. Some Gulf countries have also started to take the sultanate's view that fragmentation is the reason for the Arabs' weakness, that one Arab country's boycott of another Arab country is a more harmful than beneficial weapon, and that Egypt must return to Arab ranks, while consideration is given to the reasons that led to the rupture. Then some of these countries have become convinced that it is intrinsic strength which will be of use in these tasks, but that it would be more effective if this force were supported by an Arab force such as that of Egypt, especially since the other Arab forces are preoccupied with more than one war--if not open wars then at least verbal ones.

The Gulf situation does not inspire despair, but it is disturbed; the Gulf is going through a stage of historic transformations and hopes to participate with all the strength it possesses, and the resources its states possess, in transcending the complex of the Gulf war, resolving it, and, if only by a miracle, attaining Arab solidarity.

These are all aspirations, and the few days separating the date for resumption of the sessions of the emergency Cooperation Council state foreign ministers in Riyadh could bring definite news.

A year has elapsed since the establishment of the Cooperation Council and during that time it has been possible to transcend significant obstacles. Will the Council, however, be able to cope with the challenges that are standing in the way now, which are difficult, indeed more than difficult?

BRITAIN CONSIDERS PURCHASING NORTH FIELD LNG

Kuwait ARAB OIL in English No 6, Jun 82 p 42

[Text]

The British Gas Corporation recently began discussions with Qatari officials on the possible purchase of liquefied natural gas, LNG, from Qatar's North Field, one of the world's largest natural gas reserves.

"We would be interested in buying LNG if it is available from Qatar in the 1990's", said a British Gas spokesman. British Gas is concerned that its gas supplies from the North and Irish seas, will not be enough to meet demands in the 1990's.

British Gas has previously imported gas from Algeria during the peak demand period in the winter months, and to meet part of the domestic and commercial fuel demands.

A representative from British Gas visited Qatar recently, to meet with energy specialist and bank of England Arabist, Paul Tempest, who was in Qatar at the corporation's petroleum purchasing division. British Gas stated that although it was very interested in importing LNG, it was too early to speak of prices or quantities.

Studies made by the Energy Department and British Gas indicated that if shortages

were to be avoided in the 1990's, natural gas reserves on the UK Continental Shelf would have to be exploited during the next few years.

Towards this end, the British government is making it possible for oil companies to sell gas directly to British industries, by putting an end to the corporation's monopoly right of purchase in the UK.

Energy Department officials think that competition will raise the prices paid to producers, and encourage a faster rate of development. British Gas predict that gas sales will rise to about six billion cubic feet per day by the mid 1980's, from the present 4.5 billion.

Qatar General Petroleum Corporation stated that the North Field should have enough reserves to sustain output for several hundred years, if production was set at 2 to 2.4 billion cubic feet per day. The North Field has proved reserves of around 100-120 trillion cubic feet, although probable reserves are estimated at about 300 trillion cubic feet.

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FALL OF FINANCE HOUSE AFFECTS OTHER INSTITUTIONS

Kuwait ARAB OIL in English No 6, Jun 82 p 42

[Text]

Remittances from the UAE by foreign workers to South Asia through exchange houses and finance companies have come down by an estimated 10 to 15 per cent, the result of falling confidence in their stability brought about by the collapse of a leading Qatari finance company, reported the Dubai based daily, Khalij Times.

The collapse, in late March, which caused losses of several million dollars to thousands of remitters and at least four Indian banks acting as the company's correspondents, was linked in part to losses suffered in gold futures speculation by a Dubai-based sister concern.

Thus, many people, specially Indians who have been using exchange houses to send money home, have reverted to the services of banks whose remittance business stands to increase correspondingly. An added factor has been the steady decline in the value of the rupee against the dollar which has made transactions through banks more attractive hitherto.

Exchange companies in the UAE, specially those issuing Indian rupee cheques (in lieu of drafts), are nervous about their ability to withstand a sharp decline in their remittances. They are understood to be seeking a strengthening of control systems by UAE monetary authorities on the one hand, and exercise of greater discretion by Indian banks acting as correspondents for Gulf finance houses on the other.

According to officials of a leading Dubai exchange firm, survival of some 50 in this highly competitive environment has been difficult enough on very low margins of commission on both remittances and currency dealings.

Aftermath

But the situation that has developed in the aftermath of the Doha affair is that each company is now trying to undersell the other by margins that have all but eliminated what little profit most of them have been making in currency sales and remittances.

The result, according to one dealer, is that many companies are now dipping into their capital reserves to meet the shortfalls in daily transactions. At the rate this capital depletion is occurring, it is possible that the weaker concerns could be out of business in a few months.

There is, however, one reassuring feature in the conduct of the money exchange and finance business in the UAE. It is being more strictly scrutinised by the Central Bank. The companies have been required during the past three months or so to submit regular returns of transactions in a balance sheet which describes the disposal of public funds.

This requirement has enabled the monetary authority to keep a tab on how much money each company has in the "float" at one particular time and the state of its liquidity.

According to informed opinion, there was some likelihood that the minimum capital

requirement which now stands at 85,000 dollars would be raised considerably. It was also possible that for achieving better control and monitoring and to compartmentalise exchange operations, there could be a move to categorise exchange houses according to the size of the exchange transactions and capital. The larger ones, for example, could be allowed to continue, handling remittances and others confined to currency dealings.

Reputation

But dealers anxious to protect both the reputation and viability of a business enterprise, which is one of the Gulf's oldest, appear most keen for action by monetary authorities to put an end to what are considered quasi-banking operations by less scrupulous and more desperate dealers.

These allegedly consist, in the main, of lending at high interest to equally desperate elements in trade and commerce, out of the

"float" that most exchange houses carry and upon which they largely rely to generate enough profit to make up for remittance losses.

These losses have now aggravated by resort to underselling specially of Indian rupee where quotations given are on average two dirhams (60 cents) per thousand less than the prevailing market rate, currency fluctuations notwithstanding.

Legally, exchange and finance companies are not allowed to make loans or advance. This is the function only of banks. But the "temptation" to utilise floating funds created by the 15-day odd time lag in transmitting remittances is generally not resisted by most exchange houses. This utilisation is not unlawful in that it usually consists only of depositing the float for short-term interest with offshore banking units.

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GOVERNMENT PLANS DOWRY REGULATION

Kuwait ARAB OIL in English No 6, Jun 82 p 46

[Text]

The government of Abu Dhabi is likely to intervene to resolve the problems arising out of nationals marrying expatriates. It is learnt that the government is considering granting a 27,000 dollars towards the amount of Mehr to a national, if he marries a national woman. the Khalij Times reported last month.

At the same time, the government may also introduce an arrangement under which a national marrying a woman from a neighbouring Arabian Gulf states would also be entitled to an unspecified sum of money for the Mehr.

This was disclosed at a meeting of the Abu Dhabi National Consultative Council (NCC).

Salim Al Maskari, Secretary General of the Council, informed the House that the government was also considering to regulate the amount of Mehr to be paid to a national woman.

He said that two years ago, 50 national girls from the UAE University had complained that their parents had increased the Mehr amount unreasonably and that this was causing problems.

The matter had been referred to the NCC

and the Council had passed a resolution on March 1, 1980, calling upon the government of Abu Dhabi to limit the amount of Mehr to 27,000 dollars, so as to facilitate national men marrying national women. An earlier appeal on the same issue had been made as far back as 1973.

At the meeting, members also demanded compensation for nationals marrying expatriates. However, no consensus was reached on the issue.

Discussing other items on the agenda, the Council referred the draft law concerning the setting up of a company for making investments in petroleum projects outside Abu Dhabi, to the council's petroleum committee.

Members also received a report on 'burial arrangements' for people dying in accidents. At the last session of the council, members had objected to the 'autopsy' being performed on dead bodies, when it was not required.

Some members proposed that a driving licence should be completely withdrawn in case of three traffic offences committed by the holder. It was pointed out that the action would amount to punishment, and this had to be sanctioned by the law.

DUBAYY PLANS METALS LABORATORY

Kuwait ARAB OIL in English No 6, Jun 82 p 46

[Text]

A precious metal laboratory is expected to be set up in Dubai shortly. It will provide facilities for testing gold, silver, and platinum to check their genuineness, reported the Khalij Times.

The proposed laboratory will be the first of its kind in the country. The laboratory was needed to protect customers against trade in progress spurious metals.

Meanwhile, Dubai municipality is working on a plan to introduce a new set of laws to ensure the genuineness of the metals sold in the Emirate. Strict measures will be taken against those violating the laws.

Speaking about this, Radwan Mohammed, legal advisor of Dubai Municipality, said that Kamal Hamza, director of the Municipality, had already given instructions to prepare a draft law on precious metals trade in the Emirate.

But, he pointed out, the law was being drafted on the Municipality's own initiative and not because of any complaints of customers. As a matter of fact no complaints have been received by the Municipality in this re-

gard and this may be because of the ignorance of the customers about the genuineness of these metals particularly gold.

He said although in most cases the source of the origin was usually mentioned in the sealed gold indicating the purity of the metal, unsealed gold had also entered the market and the people who bought gold in the shape of ornaments and for small scale investments were unable to differentiate between the two.

The proposed laboratory would help them in checking the purity of the metal.

Dubai has traditionally been a leading center of gold trade in the area. Last year alone, according to a Dubai Chamber of Commerce and Industry source, 38.12 tons of gold bullion was imported into the Emirate.

Of this, about 20 per cent was purchased by the investors and jewellers while the rest was re-exported to various countries.

With the gold price reaching the lowest ebb — 320 dollars per ounce — during the last few months, Dubai and other trading centers in the Gulf witnessed the biggest ever gold buying spree in recent years.

DUBAYY CUSTOMS DUTIES

Kuwait ARAB OIL in English No 6, Jun 82 p 51

[Text]

Dubai, already in a firm commercial position in the Gulf, is expected to benefit by as much as 66.6 million dollars per year, as a result of the country's reduction in customs duty.

The new rate of one per cent duty, down from three per cent, will bring more business to local sea and air ports, and to the transport industry. There will also be an increase in goods in transit through the country, heading for destinations outside the emirate.

Following the recent amendments, transit cargo will now be totally exempt from duty charges. Under the original law, transit cargo was subject to a two per cent duty.

Dubai port and customs offices are now still coping with a huge number of importers who are entitled to refunds on their uncleared cargo, for which they had paid the old rate of three per cent. Overworked customs officials asked consignees to clear goods using old documents, and apply to the government for refunds.

Dubai's imports last year totalled 5.47 billion dollars, of this 15.75 million dollars were goods in transit, and 1.99 billion were exempt from duty payments.

The new duties will have the effect of transforming the entire emirate into a limited free-trade zone. "Amendments to the 16-year-old customs legislation provide yet another instance of Dubai's adaptability to changing conditions", noted one importer.

It is felt that although the new one per cent duty will not make much difference to prices of goods at retail level, it will make raw materials cheaper and thus protect local industry, which is facing stiff competition.

UNITED ARAB EMIRATES

BRIEF

DUCAB TO EXPORT--Ducab, the first factory of its kind in the Gulf, inaugurated in Dubai in 1978 by Vice-President and Prime Minister Sheikh Rashid bin Saeed Al Maktoum, is now exporting various types of electric cables to Saudi Arabia, Oman, Qatar, Jordan and other countries. Although it is capable of meeting the local market's needs, its exports leave only a marginal part of its output for local distribution. The present annual production capacity of the factory is 6,500 tons of cables which could be increased by 70 percent if certain developments were to be carried out. It employs over 100 people comprising engineers, technicians and administrators working 24 hours a day on a shift basis. It was established with a joint capital of 200 million dollars shared by Dubai government and a British firm for the production of electric cables. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 49]

NEW SCHOOLS--United Arab Emirate, Ras Al Khaimah, now has a total of 48 schools to its credit. Three new schools have been opened in the last two years and three more are scheduled for completion during the next academic year. Director of the Emirate's Education Department, Mohamed Abu Hilah said that the total number of classrooms had risen from 396 in 1980 to 557 at the present time. He added that by next year the number of classrooms will have gone up by 77. Hilah said that in 1979-80 there were only 11,052 students in the region but figures for 1981-82 show that there are now some 15,000 studying in the Emirate. He predicts an increase of around 2,650 students next year. Apparently the number of teachers has also increased from 754 in 1979-80 to 1,400 at the present time. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 47]

LOAN AGREEMENT WITH NORWAY--A 25 million dollar medium-term loan agreement was signed in Abu Dhabi last month at the head office of National Bank of Abu Dhabi for A/S Norsk Jernverk, the Norwegian state-owned iron and steel company. The term of the loan is for three years with two years grace and carries interest at a rate of half percent per annum over the London interbank offered rate for three or six months Eurodollar deposits. The loan was arranged as a club deal and provided by National Bank of Abu Dhabi together with the Al Ahli Bank of Kuwait, KSC, Arab Banking Corporation, Bahrain and the National Bank of Kuwait. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 44]

DUBAYY BUDGET--Dubai Municipality's Planning Committee recently approved the 416.6 million dollar budget of the municipality for 1982. The amount was reduced from the original 472.2 million dollars. Shaikh Hamdan bin Rashid, Minister of Finance and Industry and Chairman of Dubai Municipal Council who approved the budget, stated that this year's budget would place special emphasis on important development projects. One of the approved schemes was the 20 percent rise in Municipal employees' salaries. Plans include a new drainage project which will take place over a period of ten years at a cost of 777 million dollars, the construction of a central fish and vegetable market and small markets in Rashidiya, Hamriya, Jumeira, Umm Sequaim, and Hubeiba. Tenders will be called for setting up a modern slaughterhouse by the middle of the year. The new budget will also involve the construction of the first stage of Mushrif park. The meeting also approved 121.6 million dollars for the continuation of several projects already underway, plus 69.7 million for new projects. A total of 53.05 million was allocated for the construction of roads. Shaikh Hamdan emphasised the need to set up a laboratory for food analysis and also the need for more veterinary doctors. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 44]

WATER, POWER SPENDING--According to a recent statistical report, water and power projects in the UAE costing 41.1 million dollars were completed during the first quarter of the current year. Of the total, power projects implemented by the Ministry cost 34.7 million dollars against projects costing 12.5 million during the same period in 1981. This indicated a 176 percent rise in the rate of implementation of power projects this year. Water projects carried out during this period cost 6.4 million dollars, compared to 2.3 million during the corresponding period in 1981 showing an increase of 170 percent in the utilisation of development budget for water projects. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 44]

VISA REGULATIONS--The UAE Ministry of Labour and Social Affairs recently issued regulations regarding the issue of group visas to non-Arab workers. A group visa, whether for extension of stay or new entry will not be issued for a group of less than 25 if they are all the same nationality. Under-secretary Ahmed Al Jumeiri, in a memo circulated to various sections of the Ministry said that it was now required that applications for visas from a group of workers of more than one nationality should cover at least 25 persons of each nationality. However, the regulation does not affect the 30 percent section of Arab labour already specified in various labour group visas. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 44]

TRAINING SCHEMES--UAE is mouting a massive campaign to provide its nationals with higher education facilities in order to attain self-sufficiency in skilled manpower. Students are already receiving education both at home and abroad and some 2,500 students are training in a massive educational program financed by the state in the US. Subjects studied include geology, chemistry, petroleum technology, civil aviation, financial management, electrical engineering, economics and business administration. UAE Ambassador to the USA Ahmed Al-Mokarram said that not all of the students were of

freshman level, some were already very well educated like those sponsored by the Emirates University who were studying for PhD's. The largest group of students in the US program number 1,600 under sponsorship by the education ministry, to study geology, statistics, chemical engineering, political science, economics, civil engineering and business management. Most of these are studying for bachelors degrees, but at least 150 are set for higher education, including reassignment to the Emirates University as professors. UAE Ministry of Communications had sent 20 students for civil pilot training and communications study and the Ministry of the Interior has sponsored five students to study criminology. Some 400 students were sponsored by the UAE Ministry of Defence to take academic studies to equip them for roles in national security and the Abu Dhabi Fund for Economic Development had sent 25 students who will specialise in high finance, investment and appraisal of development projects. Coordination of the huge training program is dealt with by the UAE embassy's department of Education and culture. Al-Mokarram said the program also included some non-nationals who received only a limited monthly allowance, whereas nationals are awarded a full scholarship which included free schooling, books, transport, food, clothing, medical care and other facilities. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 44]

INDUSTRIAL GROWTH--The Federation of UAE Chambers of Commerce and Industry announced recently that industries in the area were developing steadily although at the present time local industry can only meet six percent of the domestic needs. The Federation recommends the training of nationals to handle projects necessary for industrial development. Also suggested is the setting up of technical institutions and specialised training in industrial technology up to university standard. The Federation's study requires the government to subsidise industries in the private sector to encourage production of certain items. It also suggests the training of nationals by foreign companies working on projects relevant to France's development. [Text] [Kuwait ARAB OIL in English No 6, Jun 82 p 43]

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